

LESLIE S. KOFOED: MEANDERINGS IN LOVELOCK BUSINESS, NEVADA GOVERNMENT, THE U.S. MARSHAL'S OFFICE, AND THE GAMING INDUSTRY

Interviewee: Leslie S. Kofoed

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Description

Leslie S. Kofoed was born in Lovelock, Nevada, in 1909. He received his education in Lovelock schools, and then entered the business world. His early careers led Mr. Kofoed from construction to motel operation, to ownership of a service station and a truck line, and to other more diversified activities. He served as a state senator from Pershing County in the 1941 legislature. An appointment as U.S. Marshal for Nevada gave him experience in law enforcement. As a member of the gaming industry's varied interests, Mr. Kofoed performed perhaps his most notable work.

Since the 1930s Nevada has been distinguished and dominated by a phenomenon unique to the state: the legalized gaming industry. That industry has served as the state's generous economic benefactor. This oral biography of Leslie Kofoed provides a welcome primary source on Nevada's gaming industry, giving an inside view of the industry. Leslie Kofoed worked for Harold's Club from 1952 to 1965 in its motel and gaming operations; he had considerable experience as a legislative lobbyist; and in 1965 he became head of the Gaming Industry Association.

This oral history is useful for its candid look at the Smith family; its discussion of the development of new marketing techniques at Harold's Club; its insight into lobbying before the legislature; and its account of some of the problems confronting the industry. There is, however, more to this oral biography than gaming. Mr. Kofoed reminisces about his boyhood days in Lovelock; provides insightful looks at Nevada politics—particularly a short, but sharply drawn view of Patrick McCarran; gives a useful description of one of his pet interests and projects—the improvements of roads in the United States; and offers a look at the successful campaign resulting in congressional legislation to add to the number of three-day holiday weekends.

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An Oral History Conducted by Mary Ellen Glass
Edited by Mary Ellen Glass

University of Nevada Oral History Program

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CONTENTS

Preface to the Digital Edition	ix
Introduction	xi
Special Introduction	xiii
1. My Life, Education, and Career in Lovelock, 1909-1942	1
Early Years in Lovelock Valley, 1909-1927	
My Early Business Experiences	
Politics, State and Local	
Society, Culture, Civic Affairs	
Afterword on Lovelock	
2. A Session as State Senator, 1941	33
3. The Office of U. S. Marshal for Nevada, 1942-1946	39
Background	
Office Operations and Case Work	
Summary of Work in the Marshal's Office	
4. Reno Business, 1946-1952, Civic Affairs of the 1940s and 1950s	55
Business Activities, 1946-1952	
Civic Affairs in Reno	

5. My Work with the Harolds Club Organization, 1952-1965	69
The Pony Express Lodge and Harolds Club, 1952-1957	
Operation at Harolds Club, 1957-1965	
6. Special Problems and Promotions, 1952-1971	113
Tour Promotion	
Highways	
Monday Holidays	
7. Moving from Harolds Club to Operation of the Gaming Industry	123
Association of Nevada, 1965-1971	
Observations on State Control of Gaming	
Organization of the Industry Association	
Early Problems	
First North-South Cooperation	
Transition from Harolds Club to Trade Association Executive	
New Problems in the Gaming Industry	
Everyday Activities and Problems of the Gaming Industry	
Future Plans	
8. Some Awards and Recognition of My Achievements	145
9. Notes on My Family	147
10. Conclusion	151
Original Index: For Reference Only	153

PREFACE TO THE DIGITAL EDITION

Established in 1964, the University of Nevada Oral History Program (UNOHP) explores the remembered past through rigorous oral history interviewing, creating a record for present and future researchers. The program's collection of primary source oral histories is an important body of information about significant events, people, places, and activities in twentieth and twenty-first century Nevada and the West.

The UNOHP wishes to make the information in its oral histories accessible to a broad range of patrons. To achieve this goal, its transcripts must speak with an intelligible voice. However, no type font contains symbols for physical gestures and vocal modulations which are integral parts of verbal communication. When human speech is represented in print, stripped of these signals, the result can be a morass of seemingly tangled syntax and incomplete sentences—totally verbatim transcripts sometimes verge on incoherence. Therefore, this transcript has been lightly edited.

While taking great pains not to alter meaning in any way, the editor may have removed false starts, redundancies, and the “uhs,” “ahs,” and other noises with which speech is often liberally sprinkled; compressed some passages which, in unaltered form, misrepresent the chronicler's meaning; and relocated some material to place information in its intended context. Laughter is represented with [laughter] at the end of a sentence in which it occurs, and ellipses are used to indicate that a statement has been interrupted or is incomplete...or that there is a pause for dramatic effect.

As with all of our oral histories, while we can vouch for the authenticity of the interviews in the UNOHP collection, we advise readers to keep in mind that these are remembered pasts, and we do not claim that the recollections are entirely free of error. We can state, however, that the transcripts accurately reflect the oral history recordings on which they were based. Accordingly, each transcript should be approached with the

same prudence that the intelligent reader exercises when consulting government records, newspaper accounts, diaries, and other sources of historical information. All statements made here constitute the remembrance or opinions of the individuals who were interviewed, and not the opinions of the UNOHP.

In order to standardize the design of all UNOHP transcripts for the online database, most have been reformatted, a process that was completed in 2012. This document may therefore differ in appearance and pagination from earlier printed versions. Rather than compile entirely new indexes for each volume, the UNOHP has made each transcript fully searchable electronically. If a previous version of this volume existed, its original index has been appended to this document for reference only. A link to the entire catalog can be found online at <http://oralhistory.unr.edu/>.

For more information on the UNOHP or any of its publications, please contact the University of Nevada Oral History Program at Mail Stop 0324, University of Nevada, Reno, NV, 89557-0324 or by calling 775/784-6932.

Alicia Barber
Director, UNOHP
July 2012

INTRODUCTION

Leslie S. Kofoed is a native of Lovelock, Nevada, born in 1909. He received his education in Lovelock schools, and then entered the business world. His early careers led Mr. Kofoed from construction to motel operation, to ownership of a service station and a truck line, and to other more diversified activities. He served as a state senator from Pershing County in the 1941 Nevada legislature. An appointment as U. S. Marshal for Nevada gave him experience in law enforcement. As a member of the gaming industry's varied interests, Mr. Kofoed performed perhaps his most notable work. Professor Jerome Edwards's introduction outlines and evaluates Mr. Kofoed's contributions to Nevada life, and notes his considerable contribution to research in recording this oral history.

When invited to participate in the Oral History Project, Leslie Kofoed accepted readily. He proved a cooperative, hospitable, and enthusiastic chronicler of his life experiences. There were nine tape recording sessions, all in the office of the Gaming

Industry Association of Nevada, between June 23 and August 24, 1971. Mr. Kofoed's review of his oral history script resulted in no significant changes in either wording or content.

The Oral History Project of the University of Nevada, Reno, Library preserves the past and the present for future research by recording the reminiscences of people who have been important to the development of Nevada and the West. Scripts resulting from the interviews are available in the Special Collections departments of the University of Nevada Libraries at Reno and Las Vegas. Leslie Kofoed has generously donated the literary rights in his oral history to the University of Nevada, and has designated the volume as open for research.

Mary Ellen Glass
University of Nevada, Reno
1972

SPECIAL INTRODUCTION

Students have, up to now, tended to concentrate on the political and mining history of Nevada, particularly the history of the nineteenth century. The Comstock Lode and Virginia City have, far more than any other historical Nevada phenomena, captured people's imaginations. This is the one Nevada topic which regularly makes the U. S. history textbooks. In the twentieth century, attention has also focused, and is focusing, on the Tonopah-Goldfield boom, and deservedly upon such prominent political figures as Francis Newlands, Key Pittman, and Patrick McCarran.

But since the 1930's Nevada has been distinguished and dominated by a phenomenon unique to the state and which is its generous economic benefactor. This is, of course, the legalized gaming industry. Astonishingly enough, although tourists and popular reporters are well aware of Nevada gaming, professional, academic scholars have avoided the subject. Gaming has such important sociological, cultural, economic, and political ramifications that it is certainly

deserving of concentrated, systematic attention, the type of attention which it simply has not received. The explaining and analyzing of gaming has, in the view of this observer, been left mainly to gossipy, but untrustworthy works such as *The Green Felt Jungle* and some of the recent "biographies" of Howard Hughes.

Professional scholars might justly assert in their own defense that there is a dearth of trustworthy sources, state records are kept confidential, and most casino operators seem notoriously closemouthed about their operations. Rumors and innuendos abound about gaming; solid, documented information is scanty and difficult to find.

Consequently, any attempt to open up primary sources on Nevada's gaming industry is more than welcome. This oral biography of Leslie Kofoed signals a new line of investigation for the Oral History Project, a line of investigation which should be particularly welcome to scholars since it interviews the gaining operators themselves, providing an inside view of the industry. It is

hoped and expected that future interviews by the Oral History Project will also further our knowledge of gaming.

Leslie Kofoed is a good subject; he worked for Harolds Club from 1952 to 1965 in its motel and gaming operations, he has considerable experience as a legislative lobbyist, and in 1965 he became head of the Gaming Industry Association. He possesses an easy, genial manner, dispensing considerable information, most of it interesting and useful, but—befitting a man in his official position—not too much information, and information which is friendly to the industry he represents. Obviously he knows a good deal more than he tells. This oral biography is useful for its candid look at the Smith family, what it tells us of the development of new marketing techniques at Harolds Club, its insight into lobbying before the legislature, and some of the problems confronting the industry.

There is, however, more to this oral biography than gaming. Mr. Kofoed reminisces about his boyhood days in Lovelock; provides insightful looks at Nevada politics—particularly a short, but sharply-drawn view of Patrick McCarran; gives a useful description of one of his pet interests and projects—the improvement of roads in the United States; and offers a look at the successful campaign resulting in congressional legislation to add to the number of three-day holiday weekends.

It is this writer's strongly held opinion that this is a useful oral biography which will enhance our knowledge of Nevada life and culture. Most importantly, it opens up exciting new vistas of research for professional scholars.

Jerome E. Edwards
Associate Professor of History
University of Nevada, Reno
1972

MY LIFE, EDUCATION, AND CAREER IN LOVELOCK, 1909-1927

EARLY YEARS IN LOVELOCK VALLEY, 1909-1927

I was born at Lovelock, one of three sons born to Martin and Anna Kofoed. My folks had moved to the valley at about the same time, apparently about 1890, my mother coming with her folks, Christine and Andrew Olsen. She was one of five daughters, most of whom married and settled in the Lovelock Valley. My dad came as far as Minnesota at about the same time with two brothers, one who came West with him, George Kofoed, who settled in the Taft and Bakersfield area and became an oil driller by profession. The other one stayed in Minnesota; I never met him, and at the moment, can't recall his name. But they, too, raised quite a family, and I've met some of them in the intervening years.

The folks lived on a ranch nine miles south of Lovelock, and my first recollection was not of the ranch itself. But in about 1915, we moved to town and bought a home on Franklin Street from the Peter Frandsens, who were next door neighbors. It was a four-room,

modest home. And about my first recollection is about 1916 or '17, the wiring of the home for electricity. There wasn't anything fancy about it. The wiring consisted of one drop light in each room, right in the middle of the room, with a switch on the socket. And subsequent, maybe by a year or two, we were provided with city water. Prior to that time, everybody had wells in their back yards. And then, a short time after that—I don't know, maybe in the '20's—we had phone service installed. And then, of course, we were really living.

Back when we first moved to town, I do remember that on Sundays, we'd go to the livery stable and rent a carriage. And the last trip I remember (which may have also been the first one) to visit the other relatives from the Lower Valley, we did have a surrey with a fringe on top. I can remember that flat roof and the little fringes around the top just as vividly—.

One outstanding thing about that trip was that the county roads, then, were just trails through the weeds. They weren't even graded or graveled. And on our way home

from visiting some people south of our ranch, which was then owned by the Nels C. Munk family—Mrs. Ellen Munk was my mother's sister, and they raised quite a large family, and we enjoyed going down there and playing with the kids. But on the way back, we took a roundabout way over toward the Big Five ranch and ran over a skunk. And fortunately, we didn't get smelled up, but the buggy sure did, the underside of it. And when we got back to the livery stable, I guess the guy was so irate, he pretty near made my dad buy the horses and the buggy. Of course, as soon as we got away from the buggy, why, we were all right; we hadn't been hit by the spray.

When Dad moved to town, somewhere along 1915, he went into the blacksmithing business for himself, building about a thirty-foot by forty-five-foot corrugated iron building right alongside the Southern Pacific railroad track, next door to the livery stable. And he operated that for a number of years, finally selling the property to Tom P. Ebert and James H. Hart, who were the local Ford dealers, and who used the location for the construction of the first modern garage, complete with lubricating equipment, hydraulic lift, paint shop, and the whole works. At that time, then, he went to work for Jack Dekinder and worked for him until, oh, sometime in the '20's, when he retired because of the arthritic condition in his arms and went into the contracting business.

I don't recall too many things between, maybe 1917 and 1919, other than routine. I do recall that in about 1917 (it might've been '18), my dad bought his first new Model T Ford. He said that when they got to the lowest price they were ever going to be, he was going to buy one. And I don't remember, but my brother Ern does, and I've heard him say many, many times that he remembers that Ford cost four hundred and seventy-two

dollars. It was a black Ford touring car with the isinglass curtains and everything in it. And we kept that until after the war, maybe about 1920. And my dad sold it and bought a 1918 Maxwell. And [that] became our car. That's the car I learned to drive. And that, of course, having a gearshift, that was real "uptown." It had wider tires that rode much better than the Ford.

And along about that same time, my mother's parents, who had resided down in the valley (might've been about 1920), sold their ranch, and the folks built a little cottage, just a two-room affair, in our back yard. And they lived with us until they both passed away, which was in the late '20's. But I remember the yard prior to having city water. We had our own well, our own pump jack, and a gas engine. And I couldn't've been more than maybe nine years of age. And I found out how to crank that thing, and I found out what made the magneto work, and where the spark came from. I guess that was my first experience with anything mechanical. But as a result, I've had a real love of anything mechanical over the years.

And I do remember watering that garden just as well as if it was yesterday. We had a complete garden, with everything. We had rhubarb and green peas, and then, of course, soon, all the other things—carrots and turnips and all the things that everybody else raised. We also had horseradish, and I can remember helping my mother grind up horseradish meat, and throw some vinegar in it.

The soil was excellent; any place in the valley it's extremely rich. And all you need to do is put a little water on it and keep the weeds down, and you could grow anything.

I do remember starting school, and I'm sure that my first grade teacher was Helen Robinson. The school at that time was located right at the end of Main Street, where the

Pershing County courthouse now stands. It was an old two-story wooden building with a very large bell in the bell tower. And I attended school there until I was through the sixth grade, graduated from the sixth grade, at which time a new school was built, just a block from our home. And I went through the seventh and eighth grade there.

And of my grade schooling, I don't remember too much, except I wasn't a very good pupil. I didn't make very good grades. Like most kids, I was inclined to play more than study. And as I remember it during the last year or so in the old school, we had a principal by the name of [George] McCracken. However, when we moved into the new school, he either retired or was replaced by a principal whose name was [C. A.] Brittell. Brittell had a decided limp, apparently an injured hip. And it wasn't difficult for him to walk, and he walked with a kind of an ungainly gait. He lived at the Pershing Hotel. I had a bicycle, which, of course, was a hand down from one of the older brothers (everything I had was a hand down, being the youngest child). But he lived at the Pershing, and that was quite a hike for him, so I became his messenger boy. I did all of his errands. He'd forget some papers in his room, or for some reason, he'd find an excuse to send me over there. Oh, it was great! It beat hell out of going to school, and it was hardly a day I didn't make at least one trip over there for him. But as a result, I did study, and I had no trouble at all in the seventh and eighth grades, being right up there. wouldn't say that I made the honor roll, but I was real proud of the A's I brought home, anyway. I don't recall whether I made the honor roll or not.

There was one real good thing about the moving of the school. There were no tennis courts at the old school, where the courthouse now stands. But they put in courts at the new

school, and that was directly across the street from me. So I did take up tennis, and played an awful lot of it, which laid the groundwork for later, having played off the high school championships in about 1925, '26, and '27, with the winners from the Humboldt County High School. And I remember, particularly, two years of the three or tour that we played championship matches, I played against George Vargas in the singles. As I recall distinctly that he beat me one year for the championship, but I beat him another, and also I played at times against Al Seeliger.

Of all the grammar school sports, tennis was about the only one outside of baseball (we played a little baseball). But tennis was about the only one that we really spent a great deal of time at. Roller skating was a great thing, and, of course, bicycling. Swimming, the only swimming pool we had was on Stoker ranch, about a mile and a half northeast of town. The river at that point had cut a rather deep channel, so the banks on the north side of the river were, oh, approximately fifteen feet high. There was a diving board built into the bank about halfway up. However, most of the diving was done off of the bank, itself, which was approximately, maybe twelve or fifteen feet. All of our swimming was done in the nude in those days, and, of course, just no girls were allowed.

But the place became invaded, oh, maybe when we were ten—I might've been ten or eleven years old. We had a couple of tomboy-type girls—and I don't know if I should mention names in this or not. Lorita Beeso was the daughter of a widow who owned a drugstore in downtown Lovelock, and another was Verdi Fant, whose dad was a large rancher and who also became quite active in political life, later years. But we had an awful time with these girls because we didn't have swimming trunks or swimming suits. Didn't

wear trunks in those days. So to go swimming after they invaded the territory, we all had to come up with some kind of a bathin suit. And you should've seen them! They were not all store boughten models, I'll guarantee you!

The fishing was excellent during those years. We had any number of sloughs, and particularly a place we called the "wide place," which was on the Taylor ranch west of town, and an easy bicycle ride, maybe less than a half a mile. And there were lots of catfish and bass. It was nothing after school to jump on bikes, and we all had baskets on the front end, grab our little cane poles, no reel, just a hunk of line of 'em, with a spinner. And we made most of the spinners. We found that an airplane spinner, as they were called, and which sold for seventy-five cents to a dollar, we could make beautifully out of Prince Albert or Velvet tobacco cans that were red on one side and silver on the other. We made our own tackle. Wayne Martin, who was in my class (went through school together), and Lewis Dingee, who was a neighbor, were my constant fishing companions. And it was nothing for us to go out after school and fill that little luggage basket on our bicycles with bass in an hour, or an hour and a half. You practically had a bass every cast.

I can't think of any really peculiar or funny incidents during that period except when the old school was condemned. And before it was moved (incidentally, it was moved just across the street in a southwesterly direction) onto a lot, it was purchased by the Masonic lodges and moved onto a lot they owned, and became the Masonic lodge hall, and it's still standing.

I do recall, while we're on that old schoolhouse, that my wife and I were married and our baby boy was maybe a year or a year and a half old, the Pythian Sisters were meeting in that lodge hall on the second floor (I had been real active in the Knights of

Pythias, and Frances had joined the Pythian Sisters), and they were having a meeting, and I was babysitting. And we lived just a half a block [away]. And about eight-thirty in the evening, we felt an earthquake. And I immediately dashed out and ran for that old lodge hall because the old bell was still in the bell tower. And Lord, the way the house was rocking, I could just imagine that that bell tower must be swinging about six feet from center.

Well, I dashed over there, and I never had such an ungodly feeling in my life! The earthquake was going on while I was running, and that sidewalk and street were just in waves [gesturing], just like water-skiing over a bunch of waves. You could hardly make progress against it. Anyhow, the girls were more frightened than I was, and by the time I got over to the lodge hall, they were all out in the street. And the bell tower didn't fall, but it was removed shortly thereafter. It was a real hazard.

After that school was condemned, or moved into the new one, Bob Munk, who was a cousin of mine, used to come to town almost every weekend and visit with us, and stayed with us. And I recall that we'd been down—. One of our greatest pasttimes was shooting pool, and although most people frowned on it, my folks didn't. They felt that as long as I was there, they knew where I was, and I wasn't gettin' in any other trouble, and Bob's folks felt the same. So he'd come in and we'd spend our weekends largely (outside of Sunday, when we had to go to Sunday school)—we'd spend our weekends largely playing pool.

Well, the pool hall, Davin's pool hall, was right in the middle of town. It was only three blocks from where we lived, on Franklin. But, one day coming home, we decided to use the restroom at the old school. And, of course, it had been abandoned. It was an old Chic Sale,

about a four- or five-holer. And although the place was abandoned, we decided to use it. And we went in there and closed the door. And then when we were ready to leave, we found that the knob (it was just a regular porcelain doorknob type of lock on the thing)—we found that the doorknob on the inside had been taken off, or was missing. And we just simply could not get out.

Well, we hollered and screamed, and I guess we must've been there an hour, late afternoon. Nobody could hear us. Of course, this outhouse was set right in the middle of that big lot. So finally, I remember Bob got ahold of the shaft from which the knob had been removed with his teeth and turned it enough to let us out of there. But in so doing, he took a big chip off of the inside of one front tooth, and he has a little gold crown on that for the rest of his days, as a result of that little detour.

It's difficult for me to remember the names of all the other kids with whom I went to school. The reason, primarily, is that Lovelock was booming in those days. Most of the nearby mines were running, the Seven Troughs-Vernon area was booming, Rochester was running. There were many, many areas around the—probably just about the time, maybe a little later in the early '20's, even Quicksilver came into its own, Nevada Quicksilver Company. And there were so many families moving in and out that the complexion of the class changed almost from year to year. However, there were about twelve in that group who did stick together and who had started in the first grade and went clear through grammar school and high school together, graduating together from high school.

One of those individuals who started with us in the first grade was Alan Bible. His folks then owned a grocery store in Lovelock.

And he stayed with us until about the sixth or seventh grade, at which time his folks moved to Fallon and opened a store. So he didn't graduate from high school with us.

One reason I mention this is to point out the turnover in people in the area in those days. Even though Lovelock was primarily an agricultural community, and a good number of our kids, particularly in the late years in school, came from the ranches, a good percentage of 'em came in with the families that came in as a result of the mining. Now, during the grammar school years, there was a grammar school in the Upper Valley, and also one in the Lower Valley. So many of those kids didn't join us from the ranching areas until they got into high school. There was no bus service, so they had to make their own arrangements to get to and from school.

About one thing I recall on the kids that we grew up with, so many—well, pretty near all the kids now say there's nothing to do. I don't recall a time when we couldn't find something to do, even in a small town like that. Maybe the population was eleven or twelve hundred. But we could be entertained with simple things, like playing marbles, or bows and arrow, or—gee, in the spring, a great pastime was shooting cotton balls; the valley is just alive with cottonwood trees. The cotton balls grow to be about a quarter of an inch in diameter, and we'd tap the bark off of a willow, and it made an ideal shooter. But then, as I say, we played baseball, and we played pool, and we did our swimming during the summer months. And it's a wonder, swimming in that old dirty river water, that we didn't die of diphtheria, or something, because, good gosh, talk about a filthy mess, particularly in the early spring, when it was just the color of chocolate! But it was wet [laughing], and it was cool, so we enjoyed it.

Another thing that I distinctly remember, we had very little trouble with the kids. There was very little thievery or problems of any kind. Of course, we had some problem children, but generally speaking, there was very, very little trouble in controlling the kids. And I guess, maybe, the reason for that is that our folks were a little bit on the strict side. We went to Sunday school every Sunday, and I don't care what. In my own case, I went to the Methodist church, but we lived a half block from the Catholic church, and as nearly as I can remember, there were only the two churches at that time. Later, others came in. But I think that had a good deal to do with it, that regardless of what we did the rest of the week, by golly, we were there for Sunday school, and many of us were compelled to stay through the church service, too.

Now, you ask for thoughts and plans on graduation, from high school. I had some from grammar school, and Lord, my only ambition was to go on to high school and play some basketball and football [laughing].

I think we've pretty well covered the grammar school. Observations of studies, I told you that I was a kind of a mediocre, or maybe even a poor student up until this Brittell took a liking to me. And from then on, why, good gosh, I really buckled down. And he did me a great big favor, too, because that continued on during high school. I had no trouble with my grades at all in high school. That was a result of his interest in me when I was younger.

On graduating from grammar school, our class moved only a block away, over to the Pershing County High School, which adjoined with the Pershing County courthouse, with a street dividing them. And that was just a block from my home. High school days were just normal. I do remember very well,

of course, some of the teachers that were there—Lawrence Hansen, who was the superintendent and a principal, Harriet Wilson, Vernon Ellis, who was the football coach. But more importantly, I remember Cecil Carroll, who was our chemistry teacher, but also our football coach later on. I played basketball, football, took track under him for the four years that I was in high school—or possibly three years. I think Vernon Ellis was there during my freshman year.

But anyhow, I played halfback on the football team. George Gottschalk was fullback at the time, Lewis Dingee was one of the outstanding ends. Lewis was a boy that could catch a ball in any position or under any circumstances. And I don't recall that we won any championships, but we did certainly come up with a good team every year.

I was never outstanding in either football or basketball. But I continued playing tennis, and I continued—in track, I was quite good at pole-vaulting, and didn't set any records, either. But I was always good for a point or two at track meets as a result of the pole vaulting event.

I don't think of any particular special occasions. I do remember how I first met Fred Baldini. Everyone knew him as "Red". Our first football game, when I was a freshman, was with Yerington at Yerington. And Fred Baldini was playing for Yerington. I was playing a halfback position, and George Gottschalk was doing our punting. We were punting from behind our own goal line. I was playing halfback and defending George while he was kicking, and Red Baldini came through the line and hit me so hard that he pushed me right over in front of George Gottschalk, who kicked *me* in the seat of the pants instead of kickin' the football. That was my introduction to Red Baldini, who, of course, I've gotten to know well over the years.

I don't think of any particular incidents. One, yeah, one that saved our necks. And I told you we didn't get in any trouble. We weren't angels by any means. At a high school dance during about our sophomore year, one of my cousins had a Model T, and we had a bottle of wine out in the Model T. We were having a high school party, and on occasions we'd slip out and have a mouthful of wine.

Lawrence Hansen, who was the principal of the high school, he was about half detective, too. He liked to gumshoe around. He saw us going out, so he went out to the car and found about a half a bottle of Dago red some one of the boys had purchased. And someone of the kids had seen him take it out of the car and bring it in and put it in his office. So we were scared to death. That was on a Friday night.

So on Monday, we fully expected to be called into his office. We didn't hear anything, and weeks went by, and months went by, and finally, after a period of months, we had almost forgotten it. Cecil Carroll, who was our coach then, called us in to the chemistry lab one day and said, "I don't know what I'm supposed to do with this, but Mr. Hansen took this out of somebody's car out front, and told me that it belonged to you and Lewis Dingee. Now, what in the world were you doing with a half a bottle of vinegar in your car, particularly on the night of a school party?"

Now, what he'd done to save our skin is to leave that bottle uncorked until it turned to pure vinegar [laughing] before calling us on it. But let me tell you, we really sweat it out before he did finally call us in! And as a result, of course, we never heard any more about it.

In the later days of high school, we all had our own thoughts on [careers]. In about 1924, during my high school years, radio was becoming popular, and, there was nothing, no classes taught in radio. Carroll was helpful in the chemistry and physics department in

that he knew some of the principles through, I guess, reading about 'em. But in about 1924, I decided to enroll in a correspondence course with the DeForest School of Visual Education. They were located in Chicago. And they sent you all of the component parts for a small radio set, seems to me it was a three-tuber. They also sent you a projector and film, on which you made a deposit. And this course, as I remember, didn't last more than about three months. But when you finished the course—there was much written stuff to go along with it, and they sent you a test about once a week, and you fill it out and send it back, and they graded it. Anyhow, when I came out of that, I was able to build a radio set.

Now, there weren't very many radio sets in Lovelock. So I'd buy the parts and build these sets and sell 'em, just for cost, to friends. At that time they were all battery-operated, and the people had to buy their own batteries. The important part of that is that as a result of that, I later became the radio serviceman for the entire county. There was no one else in 1927, '28, '29, particularly, when the radio did become quite popular. There was no one else in the whole area that knew anything about a radio set. I was the expert. So I became the serviceman for all the radios in the area. And it turned out to be pretty profitable, too, as you'll later see, when we get into the Brookwood operations.

Unfortunately, just about half of those people that graduated in 1927 from high school are no longer with us. Gee, a lot of 'em have died!

I had no intention, on graduating from high school, of going to college. Instead, I was going to work for a year or two. From about the time I was twelve years old until I was sixteen, I guess, I had worked every year in the hay fields. My first job was with Lavent Lovelock, who was a brother of our

Forest Lovelock, and who married into the Fuss family and ran their ranch, which was quite a large spread. After one year of working there, I went to work for Hy Stoker, Clarence Stoker and Vernon Stoker's granddad, and worked for him a couple of years until he passed away, and then George Stoker, who was Clarence and Vernon's dad, took over the operation—not only on his own ranch, but the old folks' place, too.

The highlight of those years was the fact that Hy Stoker had an unmarried daughter who did most of the cooking, Addie Stoker. And the meals were just out of this world! It was almost worth working there for nothing, just because of the food that they served! But those were pretty hectic years. I hadn't been there very long until he decided he wanted me to drive derrick. That's the team that picks up the nets. Everything was done by nets, in alfalfa farming.

After the first year, he always paid me a dollar more than any of the other kids 'cause he said I got them to work. I'd encourage 'em to bring in an extra load a day, or somethin'. I was kind of a pusher. The other kids didn't know it. But I always got paid more because that was a more demanding job, driving derrick. But I think, finally, I made three and a half a day, which wasn't bad.

We missed a part, I think, that might be important. Going back to my dad's history, when he moved to town in 1915, he went to work for John Dekinder as a blacksmith. And he and Dekinder built all of the first mechanical hayloaders that were built. Matter of fact, my dad did most of the work. He was the expert on it. And this is the type of equipment that was used on both the Fuss ranch and the Stoker ranch. So there was another advantage to that. Whenever anything went wrong with the hayloader, my dad'd be out on the ranch to fix it. So

he got to drop out and visit us once in a while, too.

However, in about 1920 or '22, he had arthritis in his elbows to such an extent that he just couldn't swing that heavy old blacksmith hammer. And he decided, then, to go into contracting, home building, home remodeling. And he made that change very successfully. Many of the homes in Lovelock built during that period were built by him. And the only reason I think we should have this background is because this leads up to where I am when I got out of high school and I went to work for him instead of going to college.

He had done quite a number of big jobs during those years he had been contracting. But the biggest one he had presented itself in 1927, when a partnership consisting of Jim Hart, Clarence Sommer, and Harry Sommer decided to build what was later to be the Brookwood service station and auto court. Upon graduation in '27, my dad offered me a job as carpenter's helper in building that motel and service station, at the prevailing wage of six dollars a day! That was unheard of, for a high school graduate to make six dollars a day.

MY EARLY BUSINESS EXPERIENCES

My brother, Ernie, was going to the University of Nevada. And even though we were never a pauperish family or a poor family, money was sometimes scarce, because of in-laws and relatives, and the fact that my dad supported my mother's folks and they lived with us, took all their meals with us, and the nature of his work, too, that, in the contracting business, he wasn't always busy. We never had a lot of money. We never went hungry, but we never had a lot of money. And so when Ern went to school (he had worked summers, delivering groceries for Young-

Goodin, and other jobs), he needed money to go to school, and I had lent him what savings I had, six hundred dollars. Of course, he was to pay those back when he graduated. So I decided that I would go to work for my dad at six dollars a day as a carpenter's helper, and, if necessary, provide Ern with more money so he could finish his college education, and then I would go on with mine. Well, those things never work out.

Back in 1924, when we were going to school, I got to know Frances Virginia Morse, who, with her sister Gladys Alice, were attending Pershing County High School, although their mother at that time was living and was working as the SP agent at Mill City, Nevada. Her folks had always been railroaders, and they, in going through school, grammar school and high school, they moved so much, all the way from that little station out in the middle of the great Salt Lake, between Wendover and Ogden—I believe it was called Lucin. Anyhow, they had lived all the way from Madeline Plains [California] all the way along the Southern Pacific Railroad, including such little spots as Toy, twenty miles out of Lovelock, and during the course of their schooling had gone to seventeen different schools. However, they came to Lovelock and lived with Millie Damm, who operated more or less of a boardinghouse, took in two or three boarders, and they finished school in Lovelock. But anyhow, I met her and started going with her in 1924.

In 1928, upon completion of the nineteen-unit motel—. And there's an interesting phase of that; the skeleton for half of the motel was a two-story lumber storage shed that had been a part of the Verdi Lumber Company, and located alongside the railroad track. This partnership had purchased that, cut the lower story off, put a new roof on it, and moved the upper story over alongside of it. And we

made nine motel units out of that, out of each of the cubbyholes where the lumber used to be stored.

The service station itself, the nucleus, the main building of it, which we had to remodel and make into a service station, had originally been the wood and coal shed for the old grammar school. And, of course, both structures were made out of exceptionally heavy timber, and they were sound as a dollar, but not very straight, weatherbeaten, you know, twisted out of shape and everything.

The other ten units of the nineteen-unit motel, over and above the nine that were built from the storage shed, were built from railroad ties. And this meant that my first job the day after getting out of school in June of 1927 was with an adz, to trim the railroad ties down to a point where they were square. They have a tendency to flare when they're put in the ground because of the moisture that's picked up in the bottom half and doesn't get up to the upper half. So I have scars on my shins yet, as anyone has, who's ever worked an adz.

Well, we had sufficient ties to build that entire ten units. And of all the dirty, messy jobs! We'd both go home at night just looking like colored people, that—the black cinders and stuff that'd fall out of those ties as you handled 'em! These ties had been accumulated by a fellow by the name of Jack Foster, who owned the property which the partnership bought for the Brookwood, and there's a bit of a story connected with that, too.

Almost everyone in Lovelock that had any kind of a truck, or even a hay wagon, had a pile of ties in their back yard, the reason being that back somewhere along about the war years, World War I, the railroad decided to reroute the main line railroad track from about Twenty-Mile Hill, south of Lovelock, to Hazen, then over to Fernley and into

Wadsworth. The original line ran directly from Twenty-Mile Hill, across the west part of the Forty-Mile Desert, and into Wadsworth.

When we had our 1919 Ford, and later, when we got our 1918 Maxwell, which was, of course, a used car when we bought it, but a much more expensive car than the Ford, the only road south to Reno was either to take an old dirt road to Toulon, then over Ragged Top Summit into Nixon, and from Nixon into Wadsworth. It was a fairly good road, as roads go; never been maintained, of course.

So Bill Goodin, who was one of the owners of one of the two department stores in Lovelock (one was Lovelock Mercantile Company, the other was Young-Goodin Company), was a great highway booster. And as a matter of fact, he was affectionately known up and down the road as "Chuckhole Bill" Goodin. And I recall that when they took up the rails from that stretch of railroad, which was in excess of forty miles, apparently the railroad company kept the rails, but they left the ties. And anyone who wanted ties could go out and get them. So eventually, all of the ties from Twenty-Mile Hill clear to Wadsworth had been removed from the roadbed. But it left the old roadbed, which was elevated two or three feet above the bottom of that old, dry lake, which actually was part of the Forty-Mile Desert that the historians talk about.

So our project—starting along about the time I might've been, maybe, nine or ten or eleven years old, our projects were to load the car up with picks and shovels, a jug of water, and a sandwich, and go out and fill in the indentations where the ties had been removed with gravel, that you'd shovel from the sides. I think this was the start of my interest in highway promotion, and I've been active in it ever since (as a matter of fact, last year was president of the Pan-Am Highway

group). But I think that was the start of my interest in highway promotion. We did that, weather permitting. We did that almost every Sunday. And believe it or not, we had tilled all of those little depressions, even though the road was being used as a highway, only with the ties removed, even by the old Model T Fords. It was single-lane, you couldn't pass any place, and it was dusty. If you saw a dust coming, you looked for a place to get just barely off the road. And if you got out too far, you were stuck in the sand. So it was a great pastime, pushing people out of the sand. But it must've been in the early '20's that the state highway department, then, did run a blade across there, or a grader across there, to make some kind of a semblance of a road out of it. But that was our first original highway from Lovelock to Reno.

Now, I don't know how I got back on that score, but we were talking about those railroad ties that were in everybody's yard. Well, Jack Foster, who had married Edna T. Eddy, who was the local mortician, had stockpiled this on her property (I guess it was joint property by then; I don't know). And Jack Foster—well, we're talkin' about him—was, during my high school years, postmaster. My wife graduated from high school in 1925, and she worked part-time during high school in the post office. But upon graduation, she was appointed assistant postmistress, and she was Jack Foster's first assistant.

Jack had some kind of an affliction. He simply could not sit down without going to sleep, even at his desk in the post office. If he'd sit down, he'd be sound asleep and snoring in two minutes. So it was kind of bothersome to the girls. (Edna May Taw also worked there with Frances during those years, and later married Frank Carpenter, who was the son of W. W. Carpenter, who I succeeded as state senator from Pershing County, and they still

talk about that. Edna's here, and in fact, they babysit our house if we're goin' to be gone. They come over; it's like a vacation for them.) But anyhow, Jack was a real good guy, a real fine sense of humor, but a quick temper.

I remember Hallie Eddy, who was Edna T. Eddy's son, and later her successor in the business (and, of course, they opened a branch office in the interim at Winnemucca, and operated both for quite a number of years). But I remember Hallie coming in one time (Hallie was just slightly older than I, but we were always very good friends), and he was telling me about a mining trip, prospecting trip they'd taken over the weekend. Jack Foster, although I don't think he ever located anything or sold any claims, he was always active out in the hills. He was always out looking for something. And he'd taken Hallie along this day, and I don't recall exactly where they'd been, but they were in a country that was predominantly shale, real tough climbing. You'd take two steps up and slide back three.

And here they were, climbing up the mountain. Of course, Hallie was a young fellow, Jack was probably in his sixties, and Jack had a little trouble keeping up with Hallie, going up those steep mountainsides. But he'd stumble, and he'd fall and he'd cuss, and, as I say, he had a real quick temper. And Hallie said he heard a commotion behind him, and he looked back, and there was Jack, all sprawled out in a pile of this shale, and his pick and shovel and canteen were bouncin' down the mountain below him. And Jack turned over and got up on his knees and looked skyward [shaking his fists skyward] and said, "Why don't You come down here and fight like a man?!" [laughing]

Hallie got the biggest kick out of telling that story. Anyhow, whether the anecdote has any value or not, I don't know. I think it is important to point out that this was Fran's

boss, he was postmaster, and he was the one who hoarded all these ties.

Anyhow [laughing], when we completed the construction of the motel and the service station, it was pretty much uneventful, nothin' but hard work. But when we completed 'em, then the partnership that owned it suggested that I go to work for them at the service station at a rate of a hundred and twenty-five dollars a month. And that was more than kids my age were making, although they hadn't been making the six dollars a day I'd been making. I earned every bit of that six dollars a day, I'll tell you!

So I went to work for them, and that was quite some different from the service station business today, because almost every car that came across that road, which was still unpaved from Fernley to Lovelock, even as late as 1927—. It was paved from Fernley to Reno, or surfaced, after a fashion. Pretty near every car that came in would be boiling, or when they turned the motor off, it'd start to boil. So water was the most precious commodity we had. Every car would need water. Tires, the average car on the road then took a size thirty by three, or a 600 x 16 tire on a bigger car, and they'd come in with railroad spikes on them—mind you, the road was an old railroad grade—railroad spikes or nails or pieces of rail that had chipped off, slivers of steel. So it was quite a chore keeping the tires repaired that came through there every day, and, of course, that was my big job.

Late in 1928, we were able to get—the partnership was able to get the Chevrolet agency. And I became the service manager.

I bought one of the first cars that came in, my dad and I, in partnership, a two-door 1928 sedan. And I remember as if it were yesterday that you bought the front and rear bumpers separately, you bought the heater separately. But that car, completely equipped, with front

and rear bumpers and the heater, cost us seven hundred and twenty-eight dollars. Sales were extremely brisk on the car. I wondered, when Sommer, Hart, and Sommer had offered me the job at the service station, why they were so insistent on my going in there. And it wasn't long before I realized that, because of our relationship with almost everybody in the valley, it soon developed that most of our customers were relatives of mine, aunts, uncles, or cousins. So, as a result, we had an extremely fine year in 1928 on new cars, and really made an impression with Chevrolet motor company, which was much to our advantage in later years.

But anyhow, the reason I mention that tinkering with that old gas engine was probably a good thing for me, I had been mechanically inclined, and I'd had my own little Ford from about the time I was sixteen years old and tinkered with that all the time. So it just came naturally to me to service these new automobiles—well, service everything we sold.

Well, we kept plugging the Chevrolet sales in 1928. I don't know how many we sold, but we might've sold twenty or thirty, which was pretty good, because the previous dealer was Lawrence Stiff, who had owned—I shouldn't mention that name, I guess—had owned the agency prior to '27, but all he ever did was buy one car for himself and one for his dad at wholesale prices. So they were looking for a new dealer. And because we had taken the dealership from him, there was a certain antagonism there between Stiff and the partnership that I worked for, and me, too, because I worked for it.

In 1929, Clarence Sommer and I made a trip to Oakland, California to the Oakland auditorium to the unveiling of the new six-cylinder Chevrolet, first time they'd built a six cylinder car. It was in December, about

the tenth, when we started back and found that all of the summits were closed. We drove clear up to Redding on the north, couldn't get across anyplace up there; came back to San Francisco, again stayed at the Travelers Hotel on O'Farrell Street, which was operated by Joe Snelson and his partner, stayed overnight again, and the next day, headed south. And we had to go clear to Bakersfield and then around the mountain and over Montgomery Pass, then finally dropped into Tonopah, where we stayed overnight, coming home the next day. But it was quite an experience in that we were the first car over Montgomery Pass with four to eight inches of snow. And we broke the trail over that road. It was a tremendous storm.

In 1929, Majestic Radio came out with the first all electric radio with a dynamic speaker which were being distributed in the state of Nevada by Nevada Auto Supply. Prior to that time, they'd all been cone speakers or the horn type speakers. We took the franchise, and I guess we probably have the reputation of being the only community in the whole United States of 1,100 people who bought radios by the carload. We bought a carload of Majestic radios. And we sold them right out of the boxcar. We had a Model T flatbed truck, and we just backed the truck up to the freight car and load it. And Lord, there were only two models, and they were both large, so there weren't too many radios in a carload. But they were tremendously big things. They were—well, the large model, which sold for about three hundred dollars, was twice as big as that liquor case over there, pretty near four feet high, and maybe three feet across, and heavy. And that turned out to be one of the finest things we ever did. We carloaded radios in, we put up antennas (the average antenna consisted of two twenty-foot two-by-fours with a hundred feet of wire in between 'em, properly insulated).

But anyhow, as a result of all these sales, and the fact that in those days, the voltage fluctuated a great deal, there was replacement of tubes and quite a little radio service. And here's where my little course in visual education on radio in 1924 paid off, because I was able to do all of the service work. However, I did it on company time, and sometimes on my own time, at the regular salary of a hundred and twenty-five dollars a month. That didn't go up!

Anyhow, at about the same time, we took on a line of appliances, and I had learned something about refrigeration, so I became the serviceman for all of the electrical appliances we sold, too, which required installation, and, of course, we hired an electrician to wire it in. But the minor servicing, I took care of, completely.

But by 1929, and with a job that I liked, even though it didn't pay much money, I had given up any desire to go on to college. Ern had quit about two months before graduation, having been tempted by Standard Oil Company to take over the management of a service station on the corner of First and Arlington in Reno. I bet you don't even remember that little Standard station there, do you? So he left school with a college education but no diploma.

But I had saved some money. I was filthy rich, and school didn't mean anything to me. There was too many interesting things to do, radio servicing, car servicing, girls—. Along about this [laughing] time, Fran and I decided to get married after going together for five years. And really, the deciding factor was that I had worked all of '27, all of '28, and most of '29 (we made this decision in the summer of '29)—but I had worked all that time without any time off, except weekends, and we wanted to take a vacation. Fran took a vacation every year. She got a government-paid vacation. So

I think the thing that prompted our getting married was to take our vacation together. And on our honeymoon, we took in Yosemite, and particularly, spent several days at Hetch-Hetchy Junction, where my oldest brother Everett was employed on the pipeline that carries water to San Francisco. We went from there up the Coast through the Redwoods and ended up at Drain, Oregon, where my brother Ernie was stationed with Standard Oil, and spent several days there.

Then we had to get back to Winnemucca to play for a dance on Saturday night. And we chose the road from Lakeview over to Cedarville to Gerlach, and then into Winnemucca. And what a road! The car, our luggage, everything was just so saturated with dust, it took us days to get things cleaned up!

I remember something on that trip. Ern's wife had prepared some sandwiches for us 'cause there just wasn't any place to stop, nothing but desert road. And she prepared us some goose sandwiches, and gee, nothing ever tasted as good as those old honker sandwiches. I forget what we had to drink, but it seems to me it was lemonade, or something. We got to Winnemucca, played for the dance, and then came on home and back to work.

The next year, our son was born, which, of course, was the highlight of the year, Les, Jr. But the other thing was that we bought a new car. We bought a 1930 Chevrolet, which was the first new car that we had owned all by ourselves.

During the same year, we were offered the Associated Oil distributorship. When I say *we*, it was offered to Sommer, Hart, and Sommer, but, of course, I was working for them. And they erected a plant for us. We at that time operated under the Bamburger interests out of Salt Lake City. Several years later, Associated took over the territory themselves, and we worked directly with them. But here again was

an opportunity that presented itself, because it wasn't long until we went into the heating oil business. And, of course, with the heating oil business, then, that brought along the need for oil burning equipment. So we took a couple of lines of oil burning stoves. And that became one of my service jobs, too, to service oil burning stoves. So it seemed as though as the years went by, we picked up more and more servicing, that first automobiles in '28, and then radios, which, of course, was my first love, and then oil burners. And about that same time we also took on a line of refrigerators, ranges, and small electrical appliances, so I became the service man for those, too.

In 1932, because of all the new duties that I had acquired through expansion of the business, all of them service—I spent my entire day and part of the night on service. And during that intervening period, I don't recall whether I had more than one raise, but I know I did have one small raise. And after four years, this opportunity presented itself to buy into the Lovelock Transfer Company. I had a sincere desire to get into business for myself, and this seemed to me something that I could handle. About the only mechanical worries you had in the business were the trucks themselves, and all we had was one new truck and one old broken-down truck. But it appeared to me that I could do the servicing and most of the driving, and that it should be a profitable business. And it turned out very well.

However, in going into the deal, I bought a half interest with a gentleman by the name of J. B. Somers, who had purchased the business from Frank W. Carpenter. Somers was a real likable, portly individual with a decided limp, from apparently a hip or a leg injury, and he had done a lot of business with us at the Brookwood. I felt that I knew him

quite well. However, I didn't have enough cash money to pay for the half interest in the trucking firm. And I think one of the most outstanding experiences of my life was getting a small loan to complete the purchase of that truck line. C. H. Jones was manager of the only bank in town, the First National, the Lovelock Mercantile Bank having closed years before. And he and I were very friendly, but he absolutely refused to give me any money to go into that business. He never told me why. But I later found out. It was my chore to leave for Reno at five o'clock every morning, five days a week, returning at about five p. m. And those days the stores all stayed open 'til six or seven, so I was able to make my deliveries, have the truck unloaded and ready to return to Reno for another load the next day. And some cases where I would get in late, we would transfer the load onto the other truck, and it would be delivered by one of my help, or in later years, by my dad, who came into the business with me.

So one day when I came back from [the] Reno trip, sometime in the fall, probably November, and getting in just about sundown or a little after, the one employee I had driving the other truck advised me that Somers had skipped town, and that he understood he had collected all the accounts he could, and understood, too, that he had written and cashed a check at one of the speakeasies. It was too late to check with the bank. I did call Somers' home; there was no answer. We had his home checked, and there was no one there. His wife apparently had left with him. So early the next morning, I was right at the banker's door to see what had happened. And, of course, they had no record of the check, so I started making the rounds, and found out, sure enough, that he had collected every nickel that he could that we had coming around town. Our primary customers in the

coal business, which was a real long end of our local business, were the speakeasies. They all had big potbellied stoves, and kept 'em pretty warm. Of course, the speakeasies weren't too well built or insulated, so they burned a lot of coal. And they had all laid in their fall or winter supply of coal, and there was a lot of money due from them. So I started making the rounds, and sure enough, every place I went, he had been in the day before and collected. And, of course, he normally did that from time to time, so no one questioned him. Finally, I found at the Delta saloon, which was a speakeasy, too, that was back in the alley behind the Delta property, he had cashed a check there for almost all the money that was in the bank. And no one questioned that, either; the checks required only one signature because I was gone so much.

So I went to my friend, Brother Jones, Charlie Jones, and told him the story as soon as the bank was open, asked him if he could help me. And he said, "Sure. I didn't want you to go in business with that fella. I knew he was an alcoholic. I thought you knew it. I didn't want to tell you. It wasn't *my* business to tell you." (And I got a little ahead of my story because he did advance me, I think, five hundred dollars to complete the purchase of the half interest. But he wouldn't take my dad's signature on the note. He wouldn't take any of my friends that I proposed, who were willing to help me. So I finally got to Charlie Arobio, who was the largest stockholder in the bank, and Charlie called him up and told him to give me the money, that he would personally okay the loan. So I had borrowed the five hundred dollars, and, I think in the meantime probably had paid most of it back, over a period of seven or eight months.)

But anyhow, I went in to him with my problem and told him what had happened, and he said, "Well, I'm not surprised a bit

because of the history of this guy. He has done this somewhere else, in Utah." Charlie Jones knew about that; I didn't.

So I said, "Well, what do I do? I'm bankrupt. We owe the coal company three or four thousand dollars. I owe the gas companies money.

And he said, "Well, just write your checks for whatever you need, and we'll honor them as they come through. And when you find out what your bills are and what checks you've written, come in and sign a note."

So he personally okayed a loan for somewhere between \$3,500 and \$5,000, with no security whatsoever. And certainly, this taught me a lesson, that when a banker tells you "no," and doesn't tell you any reason for the "no," that he knows something that you don't know.

But anyhow, getting back to the truck line. This was a five-day-a-week operation on the Reno-Lovelock-Reno run. But we also had the city garbage pick up service, and this was work we had to do on Saturday; if we didn't get finished, on Sunday morning. We'd get out at the crack of dawn, generally with one truck and two men, and scour the town. Then we had to make three or four trips to the dump, which was four or five miles away. But it made for a pretty busy period during the time I was in that business.

As in any trucking operation, the backhaul is the big worry. Most trucking operations have extremely good loads going one way, but nothing coming the other way, which we call the backhaul. There was a little emergency landing field at Fernley, and they had some people stationed there, and I stopped in there one day and asked them if there was a chance of selling them coal. And they said, "Yeah, there sure was." They were about to let a bid on their coal supply. So we were successful in getting that bid. And

so for a number of years, particularly in the fall, winter, and spring months, every once in a while on my way to Reno I would stop and shovel off five tons of coal at the Fernley emergency landing strip.

Another interesting experience that I had while I was in that trucking business was that the banks closed [in 1933]. But as a result—and I was hauling produce, all ethyl gasoline that came in in drums (there was no ethyl gasoline storage in Lovelock at the time). So I hauled all of the oil, all of the soft drinks, most of the meat (Nevada Packing Company was going then, and so was Humphrey Supply Company, and I picked up from both of them), and with the closing of the banks, the only way you could make a pick up was to pay cash and then collect when you got back to Lovelock.

Well, this presented some problems, but I did get ahold of enough cash to start operating. And, of course, when we went on this basis, then I collected the freight along with the cost of the cargo, and it didn't take very long 'til I had built up a little cash reserve. Everything was cash. We weren't taking any checks for the freight, either. So we built up a pretty good little cash reserve, and it was not uncommon for me to have from two to five thousand dollars tied up in a load of freight going back.

And here's where I missed the boat. It wouldn't've been any trouble at all to have collected an additional ten or fifteen percent service charge, because there was no other way. They couldn't ship by rail. The railroad wasn't going to pay for their merchandise. So I was hauling all the freight that was being hauled into Lovelock during that closed period of the banks. But I never even thought of it, of course, until later years, and then I wondered, "Why, good gosh, I could really've cleaned up on that ten or fifteen percent

[laughing] service charge," but I never did it. So it's pretty apparent that there's no Jewish blood in my veins [laughing]. Anybody that was real sharp would've thought of that!

In the latter months that we had the Lovelock Transfer Company, my dad came in. The business grew, and I needed one more man. My dad was semiretired, but he came in and was of tremendous help to me. He handled completely the local trucking arrangements. And it was particularly good that he came in with me because in '34, when beer was legalized, I really needed someone in whom I had absolute confidence. Because out of a clear sky, I get called over to the offices of C. and L. Arobio, who had been the beer and liquor distributors before Prohibition. And Charlie and Louis Arobio were both very close friends, we having worked together with them on a percentage basis on dances at their hall. When no one else was giving a dance, we'd give one and just split the proceeds with C. and L. Arobio, the owners. So we were well acquainted, and he had complete confidence in me apparently, because his proposition was that I had the trucks and all I need with maybe one more man, but would I be interested in handling the liquor business for him?

Well, I knew nothing about the liquor business, and I said I knew something about selling, of course, having been in it all my life. And I said, "Well, sure. Will we get to haul most of the freight?" (This was my first love, of course, being in the trucking business.)

Charlie said, "Oh, yeah, you betcha. All the beer will either come out of Carson City or Reno. All the liquor will come out of Reno, and then, of course, we'll have to put in a complete line of soft drinks and mixes, and that'll all come out of Reno."

So I started hauling in April of '34 the first Coca Cola I think that had ever been shipped into Lovelock by truck. And I recall that Les

and Stan Farr had a little old barn in the back of their little store and service station on the junction of Center Street and South Virginia. And I'd back up there and load the ol' truck. And Les and I and Stan talk about those days quite often now when we rub shoulders. I was just getting a start, and boy, so were they. They had nothing, and look what they did with it over the years!

But this was the greatest thing that could have happened to us in the trucking business because it developed that they set up the Tahoe Brewing Company, Carson City Brewing Company, set up a distributor in Reno, so we'd pick up the Carson City beer, Tahoe beer in Reno, and didn't have to go clear to Carson. But we also had a real fine working relation with the Reno Brewing Company, Pete Dohr, and—. But anyhow, with all of this additional freight in addition to what we and, it just almost doubled our volume of business. And we were getting at that time forty-one cents a hundred pounds on almost anything we hauled, except fragile material. And so just the freight end of the business, itself, was a real boost to us.

But the arrangement that Charlie Arobio worked out for us was even more amazing. He turned the complete stock of beer over to us, when—it was legalized in April, and then a few months later, when hard liquor came in—wines and hard liquor, he turned the complete stock over to us, the keys to his warehouse—everything. We did the soliciting, we did the delivering, we did the collecting, we handled his money entirely. We didn't have five cents invested. I would present him a bill for the freight charges once a week, and he'd write me a check for it. We would make the daily delivery, turn in whatever cash we picked up, and then on a monthly basis, go around and collect. And sometimes it was not uncommon for us to have from ten to twenty thousand

dollars in cash and some checks in our possession. But he had complete confidence in us, and we operated that business for him for a period of—had to be two and a half years, approximately, or thereabouts, with never a misunderstanding, a harsh word, or anything between us. And, of course, this, too, financially, gave us a tremendous shot in the arm. It was time consuming, and we put in a lot of hours on it because we had twelve or fifteen saloons in town, and they required making daily selling calls, and generally daily deliveries because they never bought much, as it was so easy to get a quick delivery. But that was quite an experience.

An interesting thing about those years in the transfer business was that it was real hard work. I had weighed, maybe, a hundred and forty-five pounds when I went into the business, but shoveling coal and bouncing fifty-five-gallon drums around and juggling freight all day, it built me up to the two hundred-pound level in, oh, a matter of years. So there was that advantage, too, of the business.

Finally, in—I'm not sure of the date, but somewhat later, Jim Hart, who had been a partner, not only in the Brookwood, Incorporated, with Clarence Sommer and Harry Sommer, passed away, and Clarence Sommer was interested in selling his interest in the Brookwood—or selling Jim Hart's interest, in order that he might buy in with his brother Harry in the Ford agency, which, in the meantime, had moved to the best location in town, right at the intersection of Main Street and the main highway. And so a deal was made. He approached me on buying out Jim Hart's interest in the Brookwood, feeling that with my years of experience there, and having a full knowledge of every line that they handled, that maybe I could do better there than anybody else. And he would've

had no trouble selling it because it was a real going business. But I've always felt maybe that he picked me because we did start as a partnership and later incorporated. But he picked me because he wanted me.

So I bought the one-third interest and moved back to the Brookwood, selling out my interest in the Lovelock Transfer Company to Louis Martin, a young fellow I'd grown up with. And he operated that business for a couple of years and sold it, then, to Wallace Munk, who later sold the franchise to, I believe, PMT [Pacific Motor Transport].

The valuable asset of the business, in addition to trucks on a huge scale we had in front of our office building alongside the railroad tracks across from the depot, was the franchise itself. It was one of the oldest franchises in existence, and we knew that some day, it would be of tremendous value to someone. Well, sure enough, along about the time I sold—and one of the reasons for selling and buying back into the Brookwood, really, was that the Southern Pacific company had gone in the trucking business under what they called Pacific Motor Transport Company, PMT. And with trucks they were able to provide the same service I was, that we were providing, in that they made pick up and delivery right to the merchant's door. He didn't have to go to the freight depot to pick up your merchandise. The competition, itself, didn't bother us too much. Their trucks came through Lovelock en route to Battle Mountain, Winnemucca, Elko. But my customers, or our customers, were loyal, and we lost very little business to them.

However, after a few months of operation and they found out that they weren't doing as well as they thought. They thought, with a company as big as theirs, they should get all the business, I'm sure. So they appealed to the Public Service Commission to reduce

the commodity rate to twenty-five cents per hundredweight. Well, this was quite a blow. It was approved by the Public Service Commission, and we had had to reduce to be competitive, had to reduce our rate to twenty-five cents, which, of course—the forty-one-cent rate that we originally had over the first few years was a real profitable rate. But twenty-five cents, I'm sure, just about was the break even point. So what they were doing—and they probably knew it—was just taking the profit out of the operation for us.

So in addition to wanting to go back to my first love, the Brookwood, Inc., of course, this had a great deal to do in my decision to sell the trucking company and get back in the automobile and gasoline business. At the Brookwood, we did considerable remodeling when I took it over. It became a gathering place for all the young fellows in the area. It was not necessarily Democratic headquarters for the valley. Jim Hart, Harry Sommer, and Clarence had always been strong Democrats, as had Tom Ebert. So maybe it wasn't the headquarters, but it was certainly the headquarters of the young Democrats of the area. And of course, as a result, why, that resulted in the sale of many, many cars and trucks and radios, and that sort of thing, to the people who just frequented the place—maybe because there was always a cold bottle of beer in the refrigerator.

In 1937, I bought the other two-thirds interest in the Brookwood, Incorporated. I didn't have any real cash money, because what money we had made in the Brookwood, Inc. had been plowed back into the Brookwood Auto Court, as it was called, when we started it. But in the first few years we operated there, all you needed to sell a room (for which you got a dollar, dollar and half a day) was four walls, a bedstead, and a table, and an electric light. They didn't have water in them, no

bedding, a mattress cover on the mattress, that's all. But every year, as newer motels were built, and as the motel business grew nationwide, it was necessary to plow back all the profits that were made in the preceding year back into improvements. First it was water, and then it was complete furniture, and then it was, of course, bedding. So I was real short of cash. I didn't have the money. The working account was all right, but it wasn't large enough to buy the other two-thirds interest. So, again, I go to my friend, C. H. Jones at the First National Bank and said, "Charlie, I need \$12,500."

"What for?"

"To buy out my partners."

"Oh? Do they want to sell out?"

I said, "Yeah, they agreed."

So he said, "Okay, make your deal, then come in and get your money."

And it was just that simple. And mind you, this was the same C. H. Jones that wouldn't even talk to me about a five hundred-dollar loan in 1932! Of course, things were pretty tough in '32. But, we became very, very close friends, and, still are, and he certainly was a champion as far as I was concerned.

I can't remember the year, then, that Sparks and Winchell bought out Clarence Sommer, who, in the meantime, had bought his brother's interest and solely owned the Victory Highway Garage. But when they did, Clarence also sold them his interest, which was a half interest (Clarence and I jointly had held the Associated Oil distributorship). And he sold them his half-interest. So actually, the three of us, Delbert Sparks, Dee Winchell, and I became partners in the distributorship. And it made a very good arrangement, too, because with my place of business on the south or southwest edge of town, I was the first service station you hit after coming across the Forty-Mile Desert, and they were located right

downtown, the very heart of town, so it gave us the two largest gas outlets—or, between the two, we certainly sold more gasoline than anyone.

In the meantime, of course, because of Lawrence Stiff and his dad and their advertising program of "Two Stiffs selling gas," they had built a tremendous gallonage. And you'll recall that there was friction between the Stiffs and the Sommerses and the Kofoeds back in '28 when the Chevrolet agency was taken away from 'em. Well, this, of course, further intensified that friction when the two accounts together, one with the Chevrolet agency, me, the other two fellows with the Ford agency, team up together and operate from the same bulk gas plant at the [laughing] south end of town. So this further caused friction between us for a time but which, in later years, was completely forgotten.

In the early years of the Associated Oil distributorship end of the business, we were complimented time after time by both Bill Rainier who was general sales manager, of Associated Oil Company, and Earl V. "Bing" Black, who was the district sales manager with offices at Sacramento, and who was a hulk of a man, six foot six, just all-man, and a grand guy. But we were complimented during those Prohibition years because we led all of their distributorships or agencies in the sale of kerosene. And they wondered why in the hell we sold so much kerosene. Bing and I got to be real close friends after just a few months, and our friendship continued right up to his death just a few years ago. But I used to say, "Well, Wing, I'll tell you. You know, we're just backwards people out here, and we've still got a whole hell of a lot of coal oil lamps."

And I never did tell him the truth because it was really none of his business. But we had an arrangement with the largest bootlegger. We didn't know where his still was, and we

didn't care. Every once in a while he brought in a couple of gallons of moonshine, and the product was good, so we didn't question him at all. But he had a specially made trailer that would hold six or eight drums of kerosene, fifty-five-gallon drum. He'd bring that trailer in, park it outside of our little yard where we had our bulk plant on the south end of town. Next morning, I would go over there and pull it over into place by the loading dock and load on six or eight drums of kerosene, and sometimes would move it back out on the street. And sometime during the day or night, somebody'd tie onto it and move it. We never knew where it went. We didn't know what the—well, of course, we knew what it was being used for, but we didn't know where the still was. And—I never did reveal to the Associated people where, actually, all that kerosene was going, but that's where it was going.

POLITICS, STATE AND LOCAL

There was a recall of city officials during 1935 in Lovelock but I don't know how far we can go into that city election [1935] deal. I do recall it, and—. I knew, of course, each and every one of the people, both the incumbents and the ones who were elected at that time, and I do remember some of the furor. But I wasn't real actively engaged. Those were some of the busiest years of my life. Hours meant nothing, and I really didn't have much time for such things during that period—I suppose I locally took my part in it as an individual, but I wasn't real active in it.

But back in the WPA days—and this had to've been before Jim Hart died, because Jim Hart came to me one day (and he was Mr. Democrat in the county) and he said, "Les, we've got to do somethin' for these old fellows."

We had a group of old fellows, most of them who had come in from Seven Troughs or Rochester or Packard, or some of the outlying areas, bought their homes, and lived in Lovelock. But they had very little or no income. In most cases their families were pretty well raised, and some cases, completely raised. But they needed something to do, they needed jobs. So Jim came to me one day and said, "Les, what can we do?" and, "We've got to get to the boys in Washington and get some of that WPA money."

Well, there was a real drive on to get the CCC camp; I remember that. But also, that took care of young fellows only. And many of those fellows, incidentally, who came to that area, even from as far away as the East Coast, came back after their CC days were over and married local girls, and many of 'em are still there. As a matter of fact, I think of one, Witkowski, that came from, I believe, Pennsylvania or New York, and married Louis Arobio's daughter, Angelina. And they've become real solid citizens. And there are, oh, many others who liked the area and returned.

But here, we were taking care of the youth, all right, but these poor old fellows had nothing to do. We had fellows like Pete Gottschalk, who had raised a sizable family; Steve Herzog, who had raised two girls and a boy. But they still needed some income. J. W. Kromer, who'd been justice of the peace for many years, several others. And finally—I don't know whether it was Jim's idea or whether it was mine, but I said, "Well, gosh darn it, if we could get the highway department to take care of some trees on the entrances to town, if they'd water 'em, that'd make a heck of a project, if we could get the trees and let these old fellows plant 'em. That's somethin' they *can* do." So we went to work on it, and I'll be darned if we weren't successful. We had a

crew of about twenty men working all one spring, and as I remember, clear through the summer, planting trees from three miles south of town, on both sides of the road, to about four miles—well, to the river crossing north of town. Now, this was not only a great thing for them, but it made the approach to Lovelock from either north or south just, oh, a hundred percent better. And those trees are still standing. I'm proud every time I go by there because those're *my* trees. Every noon, as long as those old fellows were working out there, I took my lunch hour to go home and get a bucketful of pint bottles of home brew, and ice it down and take it out to those guys to have with their lunch. And that was really the first—well, civic project, I think, that I'd gotten into that I really got a kick out of, and then could sit back over the years and watch 'em grow, and Lord, look what's happened to 'em today. There's ten-and twelve-inch trunks on those trees, and they were like willows (showing index finger) when we planted 'em.

But I don't think of any other political activity other than—of course, I helped Jim, and everybody else helped. The community, for once, got together because I guess they felt they were doing something that would benefit everybody. But the factionalism disappeared. Sure, there was severe criticism, "When all these young fellows start moving into that CCC camp and dating the local girls," and everything. But generally speaking, there was no factionalism. Everybody was in wholehearted accord on any of those WPA projects, or the CCC camp. We had another CCC camp fourteen miles north of town at Oreana that was very beneficial to the town, too. And those, I'm sure, were there primarily because of the efforts of Jim Hart, but also Charlie Jones. Charlie Jones was a registered Republican, and a strong Republican. But he made it a point always to get along well with

the administration, regardless of whether it was Democrat or Republican.

I suppose we ought to talk a little about the preliminary or early days in politics. I don't recall anything prior to '32. But, of course, I was old enough to vote, and I voted, and unfortunately, I'm sure, I had worked with the Democratic candidates, too. But then it had to be in '37 that the seventeen-man committee, one young man from each of the seventeen counties, was formed on the basis, primarily, that in state government, it was almost impossible for a man under forty-five years of age (who was an old man, of course, in those days) to get a job with the state highway department or any other branch of state government, and even worse with federal jobs. The federal jobs all went to the oldtimers that had been in them for years and years and years. And, of course, there were many changes in '32, and again, more in '36. But still, they were going to the older people, and there was no place for the young fellow just out of school.

So I would have to give Jack Conlon of Clark County the credit as being, really, the sparkplug behind that move. However, Bruce Swackhamer was very active, as was Art Revert and Wally Rusk, and Casey Fisher of Ely. And we didn't have any money. We raised some, but money was real hard to come by for a political campaign. But we had enthusiasm and manpower. And we did carry that campaign. We felt we did, and Ted Carville always felt that we had, actually elected him. And as a result, of course, he took care of everybody on that committee, with one exception—no, two exceptions, actually. Johnny Cavanaugh was active, the Nye County representative. And, of course, Johnny, as was I, was so tied up with his own business that he wasn't looking for a job, didn't want a job, and as a matter of

fact, never took one. But all the other fellows Art Revert went in as the superintendent of equipment for the state highway department. And we also had a fellow by the name of Bill Maher from Lander County who went in as superintendent of state highway police, but as I remember, he died shortly thereafter, and Wally Rusk took that job. Cliff Devine also was active in Washoe County, and he eventually ended up as a U. S. probation officer, assistant to Jake Wainwright. But all of this background of that group of seventeen which expanded to beyond that number (but the original seventeen was the nucleus) had all, with the exception of Johnny Cavanaugh and myself, found some place—they had found some place in government for 'em. And this led up to my being drafted, pretty much, so to speak, when the time came for replacing Frank Middleton, who was the United States Marshal and had been appointed from Elko, and was a Pittman appointee. And they had been casting about for someone to replace him when they settled on my name, which was agreeable to both Senators.

Back in the county political world, Ott F. Heiser, Republican county chairman, and I were always the very best of friends. We had very little political dealings between us. Any difference that we had in the county between the Democratic party and the Republican party seemed, instead, to always be settled between Paul Gardner and myself. And there was a certain animosity there. Naturally, I was a Roosevelt man; Paul definitely wasn't. But there was an animosity between us; however, it never affected our friendship in any way, shape, or form—on the contrary, cemented it, I think. I respected his opinions; he respected mine.

In the little political world, we didn't have very many active Democrats in Pershing County. We were always in the minority;

I'm not sure what the registration was, but I think it was always predominately Republican. All of the wheels, the big men in Pershing County—oh, Jim Causten, and Louis Friedman, Ott Heizer, Charlie Jones, people of that caliber, were all Republicans, and, of course, all very, very friendly with Pittman. So we always looked upon ourselves, kind of, as the underdogs, and never had any real political fights within the county. We had some fights, but generally they were more or less nonpartisan in nature.

I don't think of any other political happenings. I recall frequent visits to the valley, of course, of the statesmen, the politicians. The most frequent visitor prior to and after construction of the Rye Patch Dam was Senator Pat McCarran. And he never came to town without looking up John G. Taylor, who was a heavy landholder and ran a lot of sheep, not only in Lovelock and Pershing County, but up the river in Humboldt County. It was kind of amusing. Pat always looked me up when he came to town, although he also always made it a point to see Paul Gardner and visit with him, generally in my absence.

But I can remember on numerous occasions going into the Delta bar, which adjoined the Big Meadow Hotel. Pat and I and John G. Taylor would always meet at four-thirty or five o'clock, whenever we could get free, and have a drink. Taylor was a real died-in-the-wool Republican, and, of course, a Scotchman. And McCarran drank nothing but scotch. He'd have scotch on the rocks. And I can hear Taylor saying in his slight Scotch brogue, "Well, it that damn Irishman drinks scotch whiskey, give me some Irish whiskey." so Pat always [laughing] drank scotch, and just for orneriness, then, John G. always drank Irish whiskey. I guess that's about the only Irish whiskey they ever sold.

The Big Meadow Hotel was pretty much headquarters for the visiting statesmen when they came to town, politicians. I don't recall seeing too much of the governor in those days. But the senators were quite frequent visitors, it seems, and yet the press doesn't really seem to bear that out—maybe they just came oftener than I thought because it was always my job to squire 'em around. I don't know how much further we can go with politics.

[How interested was Senator McCarran in local politics?] Well, he was always in there, but he was always working behind the scenes. He was a politician from the word go. There was nothing took place, in even a city election, that he wasn't interested in. And for county elections, for the precinct meetings, as well as for county conventions, you can bet that he'd have everything wired from the ground up. He was one of those fellows that knew that you started winning at the grass roots. And he would be sure that the precincts were properly organized, and then that the convention was properly padded so that things were going to go the way he wanted 'em to go. He was very, very active, and working behind the scenes at all times. And even though he was a Democrat, he had a tremendous amount of support from Republicans. Charlie Jones—he hardly came to town, hardly made a move, I don't think, without Charlie's advice. Charlie never considered himself a politician. But he actually got more accomplished, from a political standpoint, from the sidelines, than anybody ever did running for office. And Paul Gardner was another one. Paul was a Republican, but with Pat McCarran, they were in the inner circle. And they worked very closely together.

I don't recall that [Senator McCarran] ever came in, got actively engaged in local politics. But he certainly had his lieutenants and his people in the county become engaged.

I don't think always purely and simply politically—well, yes, in the final analysis, it was entirely political. You have to say that. He was interested in furthering his own ideas, and if a Republican could best do it—do it better than a Democrat—well, that was fine, as long as it went along with Pat's thinking, with his idea of what should be done. Of course, we didn't have too many problems. After the WPA days, I don't know what federal money there was, other than the regular run-of-the-mill programs. I doubt that we had any projects. I don't think of any big projects after the CC camps and the swimming pool and the Rye Patch Dam was built. Oh, he was, of course, tremendously interested—there was considerable mining activity, quicksilver and tungsten, and some gold. We had a standard gold mine operating north of town for several years, and he was vitally interested in those operations, too. But he just took an interest in everything. It didn't make any difference what it was, or who it was, really. If it was something that was really beneficial and that he could benefit, too, in the long run, through having helped, why, he was right in there.

[It was just about this same time that some of Senator McCarran's heavy financial supporters started moving into Pershing and Humboldt County.] Yeah, that's true. [What did I see as the effect of that operation, as far as the community was concerned?] On the face of it, it looked like a real good thing for the valley. But I don't know that there was any tremendous economic impact, beneficial economic impact. The ranches had to have about the same number of employees. They had to use about the same number of gallons of gasoline or diesel fuel. And, of course, they made improvements which went on the tax roll. That certainly would be a shot in the arm for the tax structure. But I don't recall any great big change. They did put in a little more

land, too, as years went by, and that naturally increased the tax base. But politically, I don't recall any drastic changes in anything. Now, you realize, of course, that almost all those people that came in were of the other party, the Republican party. But I don't recall that it strengthened the hand of our party or their party in any way in the community. They always had the upper hand.

SOCIETY, CULTURE, CIVIC AFFAIRS

Now, a general discussion of life in Lovelock. Along about that time, prior to '27, there wasn't a great deal I could talk about. You see, we have that up here, the building of Rye Patch dam, which, of course, was '36, up in that era, but it really belongs down a little further in the story, I guess.

During all the time I was in Lovelock, all the growing up years and in all of my business life, there was always one thing that was so evident and that just—we just couldn't seem to correct. And that was the fact that no matter what the project might be, unless it was a service club project, or something like that, anything of civic importance, or general improvement importance, always become controversial, and you always ended up with factions. Now, I feel, from what I remember, that I think this all started as a result of having two banks. We had the Lovelock Mercantile Bank, which was practically owned by William C. Pitt, one of the old-timers there, and the First National Bank, which was owned primarily by Louis Friedman. And they were always at loggerheads, and no matter what the project, if one was for it, the other'd be against it. This even went down to—well, in the department stores. We had Young-Goodin Company, which was probably the largest, and Lovelock Mercantile Company. Here again, if one of those entities was for something, the

other one'd have to be against it for as long as I was there. I remember even back in high school days the quibbling that went on. They just couldn't get anything on the road and off of dead center because of the factionalism. And I think it's been one of the down falls of the area, and one that nobody's been able to come up with a complete answer to, certainly.

When we were talking about the economic-political things as I remembered them up there, and I've mentioned before the division of opinion on almost everything that happened. We had gone through a serious drought in Lovelock Valley. The Humboldt River'd been dry for a number of years, and I recall that almost everyone in those days used centrifugal pumps. And if my memory serves me correctly, a centrifugal pump will only lift water, it seems to me, it's eighteen feet at sea level, and it's less than that at 4,500 feet and 4,200, which is roughly the elevation of Lovelock Valley. And that to keep from being completely out of water, it was necessary to put in different types of pumps, or in many, many cases, to lower the centrifugal pump as many as ten or twelve feet down into the well so that it would reach the water and suck it up, kick it out. So the need for some kind of water storage was brought just so forcibly to mind during that period, and largely through the efforts of C. H. Jones, who was cashier of the First National Bank, and Louis Friedman's right-hand man. Charlie [had] formerly been city clerk. But largely through his efforts, working with McCarran, and, I guess, prior to McCarran's days, even with others in Washington, he had the dream of Rye Patch Dam.

But here again, as in everything else, there was factionalism. The old Pitt-Taylor reservoir, which was the only storage facility on the river serving Lovelock Valley, was owned by W. C. Pitt and John G. Taylor. And

they drew their water from it, and they had extensive holdings in the valley. But here again came the factionalism. Here was C. H. Jones, representing Louis Friedman and the First National Bank, pushing for a new dam immediately below the Pitt-Taylor reservoir. So there was factionalism, and, I guess, almost feuds.

And somewhere along the line, I remember a recall. There was a recall there, and I'm sure that it was over the building of Rye Patch Dam. But anyhow, it was completed in 1936 and filled the same year it was completed. They anticipated, Lord, that it might take six to ten years to till it. But it was a day when that dam was built.

But this factionalism extended even into the churches. Now, in some cases, the churches got involved in some of these measures. And as I recall, Rye Patch Dam was one of them. We had a Methodist minister who was one of the grandest men I ever knew. His name was Carter, and I can't remember his first name. But he had gotten himself involved in one of these fights, and I'm sure it was Rye Patch Dam. Anyhow, as a result of this, he wakes up one morning and finds his church burned down. And he was the grandest guy! He served as my Scoutmaster.

Another thing I neglected to point out was Scouting activities. I joined Scouts when I was old enough to get in, and got clear up to Eagle. I never did complete my Eagle. But I recall that when his church burned down, he was our Scoutmaster, and we had our summer camping camporee, as they call it now, I guess, at Humboldt House, when there was nothing but an old dirt road between Lovelock and Humboldt House. But I do recall that he was my Scoutmaster at that time, and I was working for some merit badges to complete my Eagle rank, which I never did achieve because when I got big enough to get into

music and own my own car, and all these things, there just wasn't time. I just outgrew Scouting, I guess. I don't know. But I enjoyed every minute of it.

Oh, that Rye Patch Dam issue, that just had the whole town divided, as did almost everything else that ever happened out there.

I do recall, oh, back sometime before '25—and it might've been along about '18 or '19—the entire Lower Valley used to get together at someone's home for an all-night dancing party. My dad played the accordion, and he always provided the music. And almost every ranch house down there was built with one large room, which generally was the living room. And on these all-night parties, they'd take every stick of furniture out and bring some benches in, place them around the walls, and they'd dance and eat from about the time the sun went down 'til it came up the next morning. I can remember sleeping on those benches around the room while everybody was dancing. They had food—all being Danes, they were all great cooks, and they'd have pigs' knuckles and homemade headcheese and braunschweiger, homemade, and rolle pollse, which was a famous dish. But all of these various mostly spiced and seasoned meats, then together with just every kind of dessert you can imagine, including homemade ice cream.

And those things—I can remember two or three of those during my lifetime. I don't think they were necessarily limited to the Danish population, but they were just—the Danes were predominant, and they danced old-fashioned Danish dances. I can remember some of the old tunes. But what a time they had! That was their social life. And they maybe did this—oh, not often, maybe twice a year, rotating from home to home, depending, of course, on whether or not the home had a room large enough for dancing, I guess, was

the deciding factor. But the food they used to put out—good Lord!

Our life in Lovelock was certainly an interesting one. As I've stated, we were related to, I guess, nine-tenths of the people in the immediate Lovelock Valley area, so we had a real full social life. We were always going somewhere, inviting someone in. We had about everything that you have in a small town, I guess. We had tremendous interests in our high school sports, football, basketball, track. We also organized a town team, oh, along in the '40's, sometime after Andy Milich's death. Andy was one of our leading figures. He was a Czechoslovakian, but he was a hundred percent for Lovelock. He ran a first-class restaurant, one of the best in the state, and was a real community booster. And that thing grew into quite an event, finally died out, like most of those things.

I think we were blessed in Lovelock with a cross section of real high-class people, and unusual people. I think of John T. Reid, who did tremendous work with artifacts, although he was a mining man, and apparently a pretty good one. We were fortunate in having been selected as a place to live by, oh, people like Ott Heizer, and eventually, of course, Norm Blitz and E. L. Cord, and many people of that character. We had, as near as I can remember in all my growing up period, and even up to '42, only one colored family, Jim Smith, who was a porter, did work for any number of local business. And we had one Japanese who ran a dry cleaning place and laundry, S. Takenaka, who was a real booster for the area. We had a tailor by the name of Davis, who wore the little black hat and looked the part of a one hundred percent Jew. And we used to torture the poor guy almost to distraction when we were kids, and he put up with it. As we grew up, we found that he turned out to be a pretty good friend.

Now, we've completely skipped that portion about the musical background. About 1924, when Lawrence J. Hansen was the director of the Pershing County band, he approached me on training myself to take over the leadership of the band. And this didn't require too much. I played the trumpet quite well at the time. But I do recall that he made me buy a metronome, and made me just sit by the hour with a metronome and a stick directing [gesturing with waves] this [laughing] make-believe orchestra out there.

And finally, I think during my freshman year, he appointed me as director of the Pershing County Band. Now, it worked to his advantage, because he was a violinist, a pretty good one, too. But you don't direct a band with a violin, so it was good for him. But it was particularly good for me.

At about the same time, Ruth Sullivan, who played piano around there, and is still alive, God bless her, and I saw her during the legislature (she's retired, of course)—. But she used to play for school dances. In the group was Vernon Stoker, who played drums, and George Gottschalk, who played saxophone, and myself, playing cornet. And one night, we brought our instruments and sat down and Ruth playing the piano, and the rest of us playing our instruments. And it went over so well with the kids that Ruth said, "Well, we've got to do this more often." Of course, we didn't get paid. But after a few months of this (and there was no band, organized band in Lovelock)— after a few months, though, of just playing for school affairs, we started playing for public dances, and commanded regular scale. We were paid just the same as a professional musician.

So we continued that orchestra. It changed in numbers, and it changed in personnel. We had for a number of years a fellow by the name of George Ewing, who was a local

character, an excellent pianist, played piano-accordion very well, played banjo very well, played saxophone. He joined us and was with us. At one time, we were up to eight. We had an eight-piece band. Soren Anton, who was a local boy, son of an Upper Valley rancher. And Jess Ralphs, who later taught school and finally retired from the Reno fire department after many years of service, played saxophone.

After having played for high school dances for, as I stated, a matter of a few months (I don't recall just how long), but anyhow, we did organize a regular orchestra under the name of the "Lovelock Four," and played under that name for a number of years until they insisted that I should be the director of the orchestra and that we should have a better name. And we selected the name "Aces of Rhythm." And, of course, we were called on a lot of other things other than that, because that was the name that lent itself to a lot of other similar rhyming names [laughing]. But we had a lot of fun with it.

We played primarily for just regular Saturday night dances. We played entirely from sheet music, improvising and, in some cases, making our own instrumentation and our own orchestrations. All of us had to transpose, because none of us played—well, I played a B-flat trumpet, finally, after starting on the cornet, and the saxophone. I guess George Gottschalk played a C-melody saxophone. But anyhow, we all had to transpose. But we had to learn to do this to play from sheet music, of course. And it didn't take long.

We stayed out of Reno. Even though we had many—several—opportunities over the years to come to Reno and play, we stayed out because we didn't want to rush or antagonize the unions at all. They weren't much interested in coming out to Lovelock or Winnemucca or Battle Mountain or Fallon to

play for dances. The prices were prohibitive. They charged travel. Although we played, we charged regular scale plus traveling expenses. We used to play for the Winnemucca rodeo every Labor Day at Winnemucca in the old Nixon Opera House, and played every Saturday night for a dance in Arobio Hall, if there wasn't a sponsored dance, sponsored by some organization, and there were many of those—lodges and service clubs and others who were forever holding public dances. If there wasn't one scheduled, we scheduled one. We just put one on ourselves and split the proceeds with Charlie and Louis Arobio, who owned the hall.

We also played every Sunday evening in the dining room of the Big Meadow restaurant when it was operated by Andy Milich. And Ruth Sullivan and I played at the theater along with George Gottschalk. The three of us played at the theater before the show started (this was back in the old silent movie days), and then during intermission, when they were changing reels. So we were quite active with music—and gosh, as long as we had that orchestra, I guess, I don't think we ever—probably never made less than a hundred dollars a month, just from music alone.

Oh, we had quite a turnover of personnel, and instrumentation, too. But anyhow, we kept that band intact playing all over northern Nevada until 1942, when I moved to Reno. The real reason for disbanding the band, however, was not my moving to Reno. Just prior to that move, in the spring of that year, 1942, our pianist, who had played with us for a few years then, replacing Ruth Sullivan, Vernon Stoker's wife, Velna, was sitting in the office portion of my motel (which they were leasing from me) in a rocking chair in front of a screened open window. We were located right next to the Lovelock Indian reservation. And a young Indian boy by the name of

Austin, maybe twelve years old, coming back from a hunting trip with a single-shot .22, for some unknown reason, walking by the window, just upped his .22 and shoots her in the temple, and killed her instantly. And this just disbanded the orchestra. We just had no desire to go on after that.

Now, during the growing up period in Lovelock, not only while we were in high school, but thereafter, naturally, Prohibition was enforced to some degree. In addition to the Pershing County High School band, we had a Lovelock band, which was conducted by Frank Mazetti. Frank was a bootlegger, but he was janitor for the First National Bank, and a real grade A fella. And we spent many Sunday afternoons or weekday evenings at his place listening to phonograph records, or even playing along with the phonograph, and drinking his Dago red and eating French bread.

Like, I suppose, in every other area, there was home brew in nearly every home. As soon as I got big enough to own a crock, I had a crock on my back porch. There were numerous speakeasies, probably as many as twelve or sixteen speakeasies in the Lovelock area. When radio came in, of course, most of them had a radio, and I took care of the radios, so I got in and out of them—no problem at all. I was there on business. When liquor came in in 1934—I'm getting ahead of my story—I did considerable business with all of them.

I'm thinking back to what Paul Gardner says was one of the highlights of the social life of Pershing County, and I can't tell you when the year was. But we had a high school alumni celebration one year, and a part of it was a barbecue. And Paul always swore that I put that thing on singlehandedly, and I guess I pretty near did. We just entertained the whole valley, had all they could eat and drink. I forgot how we financed it. But Paul

wrote about it many, many times in the paper, and talked about it, still talks about it. I can't remember the year. It had to be—well, I'm sure that I was president of the alumni association along about the '30's, '31, maybe, '32. I just don't recall.

[After we were married] , we enjoyed a social life second to none in Lovelock. Even when we were kids, as I pointed out before, we had no problem keeping busy. There was always something to do. But then, as we grew up and married, we had always something going. There were the weekend dances, and I played for most of those, so we were always together, Fran sitting on the sidelines, generally waiting for me to take her home after the dance was over. But we had, also, an organized group that met alternately at members' homes to play Five Hundred. We had a Five Hundred club that wouldn't quit. We had about twelve couples: Pike and Clara Stoker, Clarence and Marjorie Sommer, Vernon and Velna Stoker, Ray and Virginia Germain, Melvin and Anita Preston, Hallie and Carmelita Eddy, Jack and Gladys McClendon, Dee and Minnie Winchell, Art and Dorothy Gottschalk, and Fanny and Ralph Austin. And as I recall, we used to meet about once a week. But we just had a ball! The girls would bring the food, and the fellas would bring the home brew or a little libation, and we'd play cards 'til the stroke of midnight and then whoever was the host and hostess would have some kind of a small prize for the winners.

And, of course, this thing grew. As Five Hundred became outmoded and bridge became the game, we played auction bridge for a number of years. And finally, before we left Lovelock, we were into contract bridge. One of the things we missed the most when we came to Reno was that gathering of the clan that we had real frequently. Some of

the Lovelockers who had been part of that group had already moved to Reno, amongst them Fanny and Ralph Austin. And Fanny immediately had joined a similar group down here, and Fran got interested and belonged, went for a number of years, but finally dropped out for some unknown reason.

But between the dances and—oh, picnics. It wouldn't be uncommon for a group of us, maybe six or eight cars, generally most of the same people that I mentioned, would either go over to Unionville and camp under the trees for a picnic, or go up Eldorado Canyon, or sometimes even just to the lower Upper Valley or Lower Valley schoolhouses, where the yards were shady (of course, no lawns in those days). But the social life was real enjoyable. Everybody got along real well, there were never any arguments. There was never any of the factionalism in the social groups that you found in the business groups. Now, these same people that could get out and raise hell and get about half stiff at night and never argue about these things. Oh, you might have a little discussion, but never an argument. But the next day, if we'd meet on the street, probably the same people'd get in a hell of a battle! It just never got into the social clubs.

[Would I like to talk about the founding and operation of the Highway 40 Association?] Well, I just don't remember the year when it was founded, but I do remember that we were continually at loggerheads with the people on U. S. 50. Back in those years, everybody had signs at the junctions, at Wendover and Fernley, both claiming the shortest route, fastest route, most scenic route. And I do recall that things got so difficult that—we had a couple of bad years, and one in particular, when we had a tremendous detour between Mill City and Humboldt House. It was just nothing but a foot of pulverized dust. There

were many, many cars ruined crossing that detour. Our primary purpose in organizing, of course, was to see if we couldn't keep the people on U. S. 50 from misleading the tourist, the traveler. Because when they said "shortest" and "best," it just wasn't true. They had seven mountain ranges to cross, service stations were few and far between, the road was narrower, not nearly as well kept as U. S. 40. That was one of our primary purposes in organizing—just to see if we couldn't get those signs either to tell the truth, or get 'em down. And we were successful in both counts. Some of them were taken down. In some cases, they were changed so that they weren't misleading.

But then, I think the thing that really showed us the need for an organized group was that miserable detour that was—oh, it was, by far, the worst road that anybody's ever been on, and it was supposed to've been a public highway, a federal highway. It was affecting all of us, because at Fernley they'd be turned onto 50 going east, and at Wendover they'd be turned onto 50 going west. You have some of the names here. There were others, I'm sure. But these were some of the ringleaders, all right, the original boosters—Carl Supp and Rene Lemaire, Snowy Monroe, Newton Crumley, Bill Shatter, and Gus Knezovich at Winnemucca. But there was a fellow that ran the hotel there before Gus bought it, was very active in our group, too; his name was Bill Bradley.

Now, there was a national U. S. 40 Highway Association group, and we affiliated ourselves with that, too, in attempting to educate people the other side of Wendover—actually, the other side of Salt Lake. And we had a sizable budget and distributed brochures and pamphlets on U. S. 40—well, clear through to the East Coast—which may have had some beneficial results. We never could determine that for sure.

[What were my plans when I was elected president of the association?] Oh, conditions had changed to beat the band, then. Our concern then was not diversion of traffic by '41 or '42, whatever that year was. Through the efforts of the organization and the chambers of commerce, as well as our congressional delegation, and governor, too, U. S. 40 had been so much more improved over the years than 50 that keeping the traffic on 40 was really not a great big problem. I suppose our number one project at that time would have been the collection of dues (which was always a worry) to finance a brochure to be distributed the other side of Salt Lake.

This group also had problems in Salt Lake. Salt Lake then, and Salt Lake now, has always been prone to cooperate with the people in Clark County, primarily because Highway U. S. 91 runs almost the full length of Utah, and they like to keep 'em on that route. So we were forever in a hassle with a fellow by the name of Gus Backman, who was active in their chamber of commerce, that would divert every single car that he could get to talk to down U. S. 91 and into Las Vegas. And this became a very sore subject, and there wasn't much we could do about it. But we kept trying. Finally, we decided the answer was to get these people before they got to Salt Lake, and that was the reason for the brochure program clear to the East Coast from Salt Lake City.

You asked about the Lovelock Flying Club. I had had an interest in aviation since the time the air mail started. My brother Ernie and I used to go out and meet the air mail pilots when they'd land there at dusk, land on old Dry Lake, south of town. We'd pick 'em up in a three-wheel motorcycle and take them into the hotel. And I'd always been fascinated by airplanes. And many of the young fellows around town were anxious to learn to fly. We did have a little strip of property available to

us, almost semicircular in size, with a 60,000-volt line on one end of it, and the river on the other. It wasn't a very good place for a landing strip, but it was available, and we determined that we could acquire ownership. So we formed the Lovelock Flying Club. I was a director in that as long as I was there, and still am a stockholder. (Can't find the stock, but—.) We had a fellow by the name of Ed [Douglas] with the power company—I recall having run into him—that was the real ringleader in this thing. He was the real sparkplug, he and Vein Stoker. We did work, spent a lot of time putting the thing in, getting it graded, and built some hangars out there, temporary hangars.

And just prior to Pearl Harbor, I had taken on the Aeronca agency and had ordered a small plane as a demonstrator. Of course, along came Pearl Harbor, and that was the end of the flying activity, as far as I was concerned. But at one time, that was a real going project. It was one of the few projects in Lovelock that the community was behind, because even then, there were planes flitting back and forth, private planes and air mail. And this was only a half a mile from downtown Lovelock, whereas the old Dry Lake that they used to use south of town was three miles. It had another advantage, too. The little airfield that we were building had a north-south runway, and, of course, the prevailing wind in Lovelock is south to southwest, whereas the dry lake that they were using ran east and west. And it was up on a bluff, and it meant that you forever had crosswinds, which, in the days of those light planes, were something to be reckoned with.

There has recently been some activity, and I pledged my stock in that club to give it to Pershing County if they'd use the area out there to build a golf course, but I don't know what's happened. Never see anything in the

paper any more about it. I imagine it's a dead issue. Some of the boys got real smart and picked up that stock when they could find it. Ed Douglas was that fellow's name, and I think he's one of the two or three that picked up almost all of the stock. But I don't know whether they're holding out for too much money, or what.

This, of course, led to the request, later, for the Lovelock airfield, which is the existing one. I don't know when that thing was actually put in, but it had to be around '42. Remember Derby Field, it was called? Tom Derby and his mother donated that section of ground, just to have it named Derby Field.

Oh, everybody [worked on that]. That was another one of the few things, though—anything pertaining to aviation was something over which the town wasn't divided. They didn't mind the noise, there wasn't the factionalism then. So I think everybody worked on that. Of course, I remember Tom Derby and his mother very, very well. And I do remember talking with Tom about that. They lived not too far from there, on the old Big Five ranch. And Tom and his mother agreed, yes, that if we'd call it Derby Field, they'd donate it—they did.

Then during—gosh, I don't know how many years—don't have any idea when I joined the Lovelock Fire Department. But that was an honor that was bestowed on only very, very few people because they had a limited membership. And even though you didn't get paid, it was considered an honor to be a member of the department. And after a number of years, I became assistant chief. And that was a real interesting experience, too. When I started with 'em, the only thing we had was a hand-drawn hose reel, and we finally graduated to a Model A Ford, and I can't tell you the year of that. And that equipment was always housed with Carl Olfers, who was our

chief. We had many interesting experiences in that. The highlight of this whole Lovelock Fire Department was the dance they put on every year to raise funds, in which the community cooperated beautifully. And the other was that we always had at least one stag party, which was a social highlight of the community.

In 1941, in May, we had the convention of Nevada state fire departments, both volunteer and paid, in Lovelock. And in those days, there were only two paid departments, Reno and Clark County. And Sparks might have possibly had one or two paid firemen, but it was mostly volunteer.

One of the events of that convention was a demonstration of pumping equipment. And amongst other things, they had a V-8 Ford motor mounted on a two-wheel trailer, and the water was being discharged into two hoses, which we were using to wet down the baseball diamond for a game the next day. And when the salesman announced that he was going to kick the motor on this pumper wide open, he said the nozzle pressure would be two hundred and fifty pounds, and cautioned the two men holding the hoses to hold onto them real tightly because it would pull them right out of their grasp. But they didn't.

Harry Van Meter was on one hose, of the Reno fire department, and Harry Foote was on another. I was dressed in coveralls because I was there to get muddy and save the rest of them who were wearing regular convention clothes. But I was standing maybe fifteen feet behind Harry Foote when the operator kicked that motor wide open, and it just pulled the hose out of Harry's hand and swung it over his shoulder to where I was standing, a good fifteen or twenty feet behind him, and the nozzle hit me on the left cheekbone. The water was dirty old irrigation water, such as you'd find in the ditches, just chocolate brown,

during irrigating season, May. And the nozzle hit me on the cheek, not hard enough to do any damage to the bone, but the stream of water hit me in the left eye and broke the eyeball. And they immediately brought me in to Washoe Medical, where eight stitches were taken in the eyeball. They saved the eyeball itself, but, of course, I lost the vision of that eye.

And it was unfortunate that exactly, during that same week, and while I was in the hospital in Reno, the young Indian boy was walking by my motel, and shot Velna Stoker.

AFTERWORD ON LOVELOCK

I don't know of anyplace that I have ever lived or been—and I say this after having seen most of the country—than Reno itself—. However, I believe that I could move back to Lovelock and be completely happy. Even though the town has changed, there're still members of the old families there, and I think that Lovelock will see a rebuilding and a rejuvenation, although it'll be slow. I think we'll see it happen.

A SESSION AS STATE SENATOR 1941

[Would I like to talk about my term in the legislature?] Well, there's not a great deal to talk about there. 1941, as I remember it, which was my first year, and only term in the Senate, because I had to resign that position as well as others when I took the U. S. Marshal's appointment—. But I think 1941 probably was the busiest, and maybe one of the most outstanding years of my whole life, for the reason, just everything seemed to come to a head—my election as state senator, and I served that year, also, as president of the Lions Club, as president of the U. 5. 40 Highway Association, as state president of the Young Democrats. And it seems to me there were a couple of other jobs there. I don't know how in the world I ever got everything done.

But the session itself, was of course, an experience that any young man should go through. I went into the state senate at thirty-two years of age. I would imagine—I don't know if Chic Hecht was younger than that when he went in. But up to that time, I was by far the youngest senator ever to have served. And I went in with the old bull bloc,

Jack Robbins, Bill Dressler, Harry Heidtmann, Noble Getchell, Johnny Miller. Another old-timer in there was Will Cobb and A. V. Tallman, who were not members of the bull bloc, really, but they kinda sided in with 'em. And in those days, the senate was not famous for passing any legislation. It was the "death house," and very, very few assembly bills got through there. As a result, many senate bills were tied up in the assembly, too.

It was an interesting session, and one of the toughest decisions I ever made in my life was to resign that position to take the Marshal's appointment. Actually, being a state senator meant more to me than being a U. S. Marshal, for one reason, I guess—I did know a little bit something about the state senate. But I certainly didn't know anything about the U. S. Marshal's office.

Also in that session, Walter Cox served from Lyon County, and Archie Grant from Clark County. And one of the bills which came up was the "in lieu" tax money to Clark County from the sale of Boulder Dam power. And, of course, everyone that voted for that

bill was later accused of having been paid off. But there was no payoff. Archie Grant worked day and night to get that bill through. At that time, Clark County, financially, whereas the dollar volume was much smaller, they probably were in financially worse condition than they are right now. They needed the money, and in talking with Jack Robbins, who was the chairman of our judiciary committee in the senate, he said he was going to go for the bill because a similar thing could conceivably some day happen on the Humboldt River.

In the first place, I felt that the logic was right, that they should be reimbursed. After all, the dam was located, the power was being generated in their county, and I felt that they were just. And the next instance, of course, I went along with Jack's thinking, that it might just conceivably happen, someday, that a similar thing could happen on the Humboldt River, or even one of its tributaries. So I went along with the bill, and it, of course, passed. It was nullified a few years later. I don't remember just when.

The other high point in the session was that Gene Shoup, who was a great friend of the bull bloc in the senate—he and Noble Getchell were very close friends, but he was friendly with all of them—and he, as head of the Nevada division of the AAA, had been urged by his people to put in some kind of a driver's license bill. So he had had introduced in the assembly the Uniform Drivers License bill, which had been accepted and passed by, oh, maybe twenty or thirty states, but anyhow, enough that it had been proven acceptable. And he asked me if I wouldn't champion that bill through the senate for him. I thought it was a little funny that he'd have so many close friends in the senate, and yet select me to ride herd on that bill.

But it wasn't very long until I found out why. All of the old-timers were very much

opposed to the legislation. And it became a common assumption around there that I was trying to drive them off the road. In fact, they used the term "the young whippersnapper from Pershing County is trying to take us off the highway." They really gave me a bad time on it, but finally, it passed by a comfortable margin, primarily because they were all grandfathered in for a period of five years before they automatically had to [have] the license renewed each year.

We also had a great to-do about the fishing seasons on the Humboldt River. The bill was very simply drawn, but yet there was much confusion as to what we wanted to do. And it created probably more excitement in Pershing County than any other one piece of legislation. We had, oh, some school fund allocation bills, I recall, that would've cost Pershing County a sizable sum of money. But nobody but Charlie Jones was upset about that. But the sportsmen were upset about the fishing seasons. The bill passed as it was introduced, and they found out that all in the world it did is extend the closing date, as I remember it, from September fifteenth to October fifteenth. However, there were many misunderstandings about it, and it took a lot of work to satisfy everybody back home after the session was over, that no one was hurt, that it had been beneficial instead of detrimental.

Another bill in which I had some interest was the appropriation for the Adjutant General's office. Jay White was the Adjutant General, and as grand a man as ever lived. But the National Guard, or whatever they called the preceding group—I don't know whether it was, I think it was the National Guard, under that same name—they had an awful time getting even as much as \$10,000 to operate their department for a biennium. So he needed a champion, and he came to me and wanted me to push for the National Guard,

and I was favorable. I liked him very much. I'd run into him in lodge work over the years, and I liked him, and it made sense to me. But we finally came out with a deal. We needed a rifle range in Lovelock. And it was anticipated that if we could get some government labor, federal labor of some kind, that it would cost peanuts to put it in. And if we couldn't get federal labor, we had enough fellows handy with a welding torch and a cutting torch and a hammer and saw that we could build the thing ourselves if we had the money.

So we entered into an agreement with Jay White, and it was completely legal, had been cleared by the attorney general that it had something to do with national defense, rifle training (we were almost all members of the National Riflemen's Association). So we attached \$5,000 onto his appropriation bill to be expended at Lovelock for a rifle range. And the bill passed, not without a lot of trouble, but it passed. And sure enough, Jay White built the first rifle range at Lovelock. I think it's been replaced by another one now. But we had as good a rifle range as there was in the whole state of Nevada, and at a cost of less than \$5,000.

Another piece of legislation that was purely local interest—and which was highly controversial—was the division of the sheriff's office and the assessor's office in Pershing County. And there were just about as many people contacting me in favor of the division as there were in opposition. So, with the cooperation of Paul Gardner and the *Review-Miner*, we conducted a little straw ballot, and found conclusively, when the ballots were all counted, that most of the people were of the mind that it took two separate and distinctly different kinds of people to operate a sheriff's office and to operate an assessor's office. And with the blessing of the community—of course, those local issues, they go along with

the local delegation. And we concluded that it was the will of the people that the offices be divided, so the bill passed. And as I remember, no hard feelings even when it was all over, that the average person felt that, "Well, it did make sense", although I suppose they hated to see somebody lose a job, or—I don't remember what the actual feelings were.

One of the most important and interesting assignments I had was a position on the committee on public highways. Bob Allen at that time was our state highway engineer. And he was a good one. He could squeeze more value out of a dollar than most people. But he was always in hot water because he was an engineer *par excellence*, but he was gruff and had absolutely no idea of where public relations started and stopped. As a result, he was always in hot water with the public at large. He was in hot water with the people in Pershing County, too. We hadn't had a highway dollar spent other than maintenance in the county for, oh, maybe as many as twenty years. However, just before the session, they had completed the twenty-mile stretch of road from Lovelock to beyond Toy, a stretch of sixteen or seventeen miles. So he was in pretty good graces, as far as the Pershing County people were concerned. But he was in hot water almost all over the state. We conducted a pretty thorough investigation of the highway department, however, during that session, and we could find absolutely no reason for criticism other than his brusque and almost holier-than-thou attitude, that he was an engineer and knew what he was doing, and he didn't need anybody's help.

During the many meetings that we had with him and other members of his committee, he advised me of something that I have never been aware of before. At one time Jim Hart and I decided that we should have some secondary road funds in Pershing

County. Of course, we had a lot of help, but it was our idea. We wanted to pave or blacktop the road going down past John Fant's farm. And incidentally, it went on down to the Reservation ranch, and the Nile ranch, and the Fuss ranch, and the—it was the main traveled road south of town. Finally Bob agreed, through his men, that if a traffic count would justify the expenditure, that he would very seriously consider it.

The counters, traffic counters went in, and I recall Jim calling me one day and said, "Get as many of your friends to go down to the John Fant ranch or the Fuss ranch as possible, and just turn around and come back," and told me why. But during that period of a week or ten days that that traffic counter was in there, and, of course, even with the number of people that were driving back and forth down there at our urging, I think we had sufficient traffic count on the road, probably, to justify the expense of the blacktop. But Jim Hart got the idea that we could really mess that thing up by running a herd of sheep across those pneumatic tubes on the counter, which we did. And, of course, as a result, the traffic counter showed a tremendous total, and we thought that was one of the reasons why we were able to get that project through.

But after the session of the legislature was over, and we'd made our report from the committee to the senate, then Bob Allen advised me that he knew about that herd of sheep [laughing] having been counted all along. So it would've been a little embarrassing for me on that committee if I had known that he knew that, while all the time we were working with him and his people [laughing].

As I recall, there were no other investigating committees during that session. There might've been. But we didn't have the problems in state government that—oh, Lord! They have multiplied a thousand times! We

just didn't have 'em. And we wouldn't've had that highway committee. It was customary to have a highway committee, but they'd never done a thorough job of investigating it. It's just because he [Robert Allen] was so cantankerous and miserable with people that they thought somethin' had to be goin' on. And he wasn't too liberal with the information of how much money they had, or what they spent. The highway commission was the same as it is now, the governor and the attorney general. And that was it. They knew what was going on, but I doubt very much that other people knew. In the first place, the Bureau of Public Roads, I don't think, was even in existence then. But if it was, they didn't have a man right here looking over your shoulder, such as they've had the last twenty years. I don't remember any other committees or special committees; I'm sure there were some.

[Do I want to say anything about the work of the lobbyists and their help or detriment in the legislature?] Oh, well, I'd have to say that—I'd have to tell the truth, of course, and it'd soon sound like I was tooting my own horn, maybe, because I'd ended up in that very kind of a position myself. In fact, some of the boys over there say, "You're the only one of the senators that ever turned pro." But yes, the lobbyists in those days were—. Of course, the ringleaders were Johnny Mueller, and—oh, there were not nearly as many of them as there are now. But Johnny Mueller and Ray Marks were the two principal ones. And particularly to me, a freshman, they were most beneficial because they'd been around there long enough to know how you got things done, what could be done, and what couldn't be done. But more than that, they were conscientious and knew more than I, through years and years of experience, what was good for the state and what wasn't good for the state. So the situation then isn't any

different than the situation now. There may be an exception to the rule. But generally speaking, the lobbyists were a necessary part of the legislative function. They were looked upon as kind of "father advisors," particularly to the younger members, maybe the assembly primarily, but also to the members of the senate.

I can't remember many other of the lobbyists right offhand. Johnny, and—well, Ray too, of course, two of my closest friends, so I went to them probably a good deal more than I did to others. But also, I leaned heavily on Gene Shoup. Gene, although he was not in a true sense a lobbyist, or considered as such, that was the nature of his work, and he was there representing the AAA. And anything to do with highways, he generally could have the answer, or could get it for you.

[How did Johnny Mueller approach his work? He was thought to control the senate at one time.] Well, that isn't true because I think Johnny Mueller was probably on Noble Getchell's payroll, probably also Harry Heidtmann, Johnny Miller of Hawthorne. He was actually a paid public relations man. He didn't control the senate, but the senate controlled him. I don't think there's any question about that. I think he worked for the bull bloc for a salary. I don't think there's any question about that. But I think Johnny worked the way any good lobbyist worked. If he has the confidence of the legislators, they come to him. It's very, very seldom that a lobbyist has to go to a legislator. It sometimes is necessary after a hearing. Now, present day legislation, they conduct many more hearings than they did then. A bill would go to a committee, and it would either be killed or referred out, and hardly ever with a minority report, although there were exceptions. Many times, because of objections that you would run into in the committee hearings,

it is necessary to, then, single out some of those people whose views differ from yours, or who have not the proper view (or in your estimation, not the proper view). And it is necessary, then, of course, and was, back in those days, to, maybe, single them out.

But in the case of all the lobbyists I remember over there, it was a matter, generally speaking, of us going to them, rather than them coming to us, unless you'd make a statement either on the floor or in a committee hearing or in public in regard to some piece of legislation, which, in the estimation of one or more lobbyists, was absolutely erroneous. And they would come to you and try to give you the facts. But such things as pressure tactics from any of them, it never happened. It just never happened.

And I can understand that people thought Johnny Mueller ran the senate, because there isn't any question about it. He was hired by them and paid by them. So it was just exactly the other way around. I'm sure the senate told Johnny Mueller exactly what to do, and how to do it, probably.

[How did Ray Marks work?] Oh, beautifully. Ray was probably the best-liked lobbyist of any that have ever served before or since. He was completely fair and honest, to my knowledge. He never gave anyone a bum steer, or used anything other than the good, hard, cold facts in influencing their thinking, or in requesting their support or defeat in a piece of legislation.

It was a rare, rare occasion, indeed, if the governor [Carville] injected himself into any part of the legislative process. There were occasions, I'm sure—I did, I'm sure others did, trek downstairs to ask his advice, which he was always willing to give in almost any case. There were some cases highly controversial in which the outcome maybe made no difference whatsoever to him or state government, where

he might hesitate to give you an opinion. But generally speaking, he was most helpful. But outside of the opening and closing days of the legislature, I don't recall that he ever came in either of the legislative chambers.

Well, we did [see him], of course. We did. Particularly, when you get into bills affecting the various departments of government. Now, I'd been around quite a little for a fellow thirty-two years old. But I didn't know very much about state government. And when there was a matter pertaining to anything that affected primarily the state of Nevada or the government of the state of Nevada, I went down and talked with him about it. He explained to me why it was necessary or why it wouldn't be good. He'd been around much longer than I. But to—well, if you're thinking about the way Mike conducted himself this [laughing] last session in 1971, well—. There was just none of that—no pressure, no interference.

THE OFFICE OF U.S. MARSHAL FOR NEVADA, 1942-1946

BACKGROUND

In the political life in Lovelock prior to 1936, I had never been very active. One of the political sidelights that I think is interesting is that during 1937, many of the kids we'd grown up with, some of whom had gone on to college, others who have taken employment here, there, the other place, not only in Lovelock, but in many of the other communities, and being from a small town and getting in and out of Winnemucca, Battle Mountain, and other small towns around the state, we, of course, built a rather wide acquaintanceship during football and basketball seasons, track, and tennis. And we found that it was almost impossible for anybody under forty-five years of age to get a job in the state of Nevada. You couldn't get a job with the highway department, you couldn't get a job any place, except on the ranches or at the mines, but not with any of the political entities.

So in 1937, Governor Carville wanted to run for governor. And he had the idea that he needed some youth in his campaign. And with

the help of Art Revert, Jack Conlon, Johnny Cavanaugh, Wally Rusk, and several others, we formed a committee to work for Carville. The only thing we asked from Carville in return was that he find some jobs with the highway department, with the other branches of state government for some of these out-of-school kids that just couldn't find decent jobs. Our little committee, which started in just the Reno-Sparks-Carson-Lovelock area, grew to a point where we had, during the campaign, one young fellow heading up his campaign in each of the seventeen counties. We met often, and talked practically daily by telephone. And Carville, himself, felt always that it was the result of our activities that put him in office. And he never forgot it, never; he never forgot a single one of those fellows that had helped him during that campaign.

And the reason I think this might be important is that this all led up to my taking the United States Marshalship in 1942. (Of course, we've got a lot of intervening years there, but while we're on Carville, maybe this is important.) Every one of the individuals

mentioned, and every one of them who'd been active in that campaign had taken some kind of public job, either through Carville or with Carville's assistants, except me. I was in business in Lovelock, I was happy, I was makin' money, but along came the war, Pearl Harbor. And most of the boys that I'd grown up with, not only in Lovelock, but around the state, were getting in some branch of the service.

I had tried and tried, every way, to get in some branch of the service, but having lost the sight of an eye during a firemen's demonstration in Lovelock in 1941, I was just not acceptable. So in desperation, I had appealed to Senator McCarran and Senator Bunker—Senator Bunker had been appointed by Carville, to succeed Key Pittman. And I appealed to them to please help me get into something. I felt like a traitor, with everyone else going and me sitting smugly home. So after a period of time they came back with—I thought maybe even I could get in the FBI, or something. I didn't care what. And they came back with the offer of the United States Marshal appointment.

That position had been held by Frank Middleton of Elko County who apparently had been a Key Pittman appointee, and was not at all friendly to McCarran or Bunker. And they wanted to make the change, but they had never been able to come up with a name that was acceptable to the powers-that-be in Nevada. They had investigated and found that I was acceptable. I was serving at that time as state president of the Young Democrats, so I had a pretty good Democratic following.

And out of a clear sky, Johnny Cavanaugh called a meeting of our little group at his home in Tonopah. And even though I said "no" in every language I could think of, because I had no law enforcement experience whatsoever, they drafted me for that position and called

McCarran that very night and told him that I would accept. And that probably was in March or April of that year.

But the reason why I want to tie that into the McCarran thing is that all of these other guys, every one of them—Johnny Cavanaugh, of course, had his business in Tonopah, he and Charlie, and he had not taken an appointment. But there were ways in which they were compensated, such as through the sale of trucks or gasoline, or something, you know. So they had been taken care of. I was the only one that hadn't [laughing]. So that's all how that came about.

Well, it took a long time. It took until May, I guess, of 1942 before that thing finally came to a head. There was voluminous correspondence between the Senators and members of our group and myself. There was a great reluctance right at that time because of the many changes being made from a Republican to a Democratic administration over the previous years. There seemed to be no real reason for my name having been held up. But during that winter, and particularly in the spring of '42, the entire community of Lovelock was shook up. Even the superintendent of schools called me and asked me if I was in trouble. And I said, "No, I don't think so," and I asked him why. I had a call from a banker who wanted to know if I was in trouble, if they could help me. And I was reluctant to tell them what was going on, although I had been prewarned, that three FBI agents would be in checking my suitability for the U. S. Marshal's appointment. In the case of the superintendent of schools, he said, "I don't know what they're looking for, but they've gone through your school records clear back to the first grade. I notice that they make records of your deportment, primarily, citizenship, and matters of that nature."

And finally, the heat got so terrific, with so many people becoming concerned, and so many people wondering what I had been up to, that I finally had to tell them that [laughing] it was a routine investigation. And, of course, then, it was shortly thereafter that the announcement was made that I had been approved and my name sent to the Senate for ratification in, I think, April or May of '42.

There was some delay after the appointment and after it had been confirmed by the U. S. Senate. And I later found out that the reason for the delay in getting around to the appointment was not anything at all wrong with the Senator's appointment or with me, but the fact that the FBI was just so busy with so many other things that they just absolutely could not get out there to make the investigation. So when the investigation was completed and they approved the [appointment], it then required a complete audit of the Marshal's office. Most people don't know, that in addition to the law enforcement end, the Marshal's office not only enforces all federal laws, but the U. S. Marshal also serves as paymaster for the U. S. District Courts, the probation system, the Clerk's office, U. S. District Clerk—as a matter of fact, almost all federal employees that were in the state, in those days, connected with the courts or with law enforcement, except the FBI. The FBI is paid directly out of Washington. So, we were under a \$60,000 bond, and it took time to audit the outgoing Marshal and get my bonds and everything in order to take office on June first. And that was the day on which I was sworn in by Judge Frank Norcross, having moved to Reno about a week previously and taken up residence in a rented home on Gordon Avenue. And we rented that home for about six months, and just couldn't see that, and then bought a home at 522 Walker Avenue.

And the shocking thing at that moment was that all but two of my deputies had seen fit to retire or resign in protest to the change of marshals. And this was understandable. Frank Middleton was my predecessor, and was a very well thought of individual, and had done an excellent job as United States Marshal. He also had very, very good deputies, and they had done a good job. However, the feeling was so intense politically with Middleton having been a Republican appointee, and I'm sure each of the deputies, being Republican by registration, the feeling against McCarran and Bunker was so intense, as well as against the president of the United States, who made the appointment. But they did resign. It left me in a most embarrassing position. But fortunately, Chalice Dales, the office manager in the Carson City office, and Lee S. Brawner, Chief Deputy U. S. Marshal, agreed to stay on. They were career people, both had, oh, probably between fifteen and twenty years of service in the office. And they stayed on, which, of course, was a godsend for me, because it would've been impossible for anyone to've stepped into that office as green as I was, and conduct it in any kind of a satisfactory manner.

The securing of deputies was a real problem because the list of applicants had to be supplied through U. S. Civil Service. And veterans were given preference, but at the time I made the original request, which was probably the day I took office, or the day after, there were very few veterans on the list; as I remember, probably none. But the name of Howard F. McKissick, Sr. was on the list. And even though he was a Republican, he was born and raised here, well thought of, and acceptable to both McCarran and Bunker. So he was appointed, probably, within my first month in office.

It's probably interesting to note the real reason, if I haven't covered it, for the change in the Marshal's office. The Marshal's office in those days, and to some extent, even now, I think, is highly political in nature. It was a political plum awarded to someone who'd worked hard in the campaign, either senatorial or presidential campaign, or both, and the reason for appointing me was—or anyone, at that time, was purely and simply to get a Democrat in the job and to retire Frank Middleton. It was no reflection on Frank. Frank had done as good a job as anyone who'd ever occupied the office, and, as I said before, so had his deputies. They were hard working and conscientious. But those things happen in politics, and the time was ripe, and, as I say, I was drafted. And it was no reflection on Frank. We were friends at the time, and we remained friends up to his death. He realized that "Those who live by the sword die by the sword," as they say in politics, and he accepted the change in just exactly that light.

OFFICE OPERATIONS AND CASE WORK

The very first day after being sworn in at Carson City, I came back to the Reno office, which was in the post office building, and had a call from the United States Attorney's office that they wanted six prisoners brought over from Washoe County jail. I didn't have either a gun or handcuffs. And most of these prisoners were in on minor charges. So I went over to the Washoe County jail and walked them over to the judge's chambers in the post office building without any firearm and without any cuffs. We just walked them over, like—I was taking 'em out to lunch. Fortunately, nothing happened. But I was quite concerned over it. I didn't do that again without the necessary equipment, I'll assure you.

The Marshal's office is more than just a law enforcement office. The primary duty is to enforce the laws of the United States. But it's also the paymaster, or the paying office, for the district courts and almost all of the federal employees in law enforcement other than the FBI—they're paid directly from, in this case, their Salt Lake City office, I believe. But this entailed a tremendous amount of book work, and I was fortunate in having Chalice Dales stay on. She handled all of that work, and did it beautifully. And with the appointment of Howard McKissick, we were doing quite well, managing to keep up with the work. It wasn't too long, maybe a matter of a month or six weeks, I requested an additional list of applicants, and amongst them were the names of Robert L. Carpenter, who was a veteran, and upon submission of his name, he was cleared, and he was immediately appointed. Shortly thereafter, Don Borax, who had had considerable law enforcement experience, was appointed—and I needed a man desperately at Las Vegas, and he was from Las Vegas, so he was appointed as a deputy, stationed there. Shortly thereafter, Hubert Boyd, who also was a veteran, was appointed to work out of the Reno office.

When I went into office, Tom Craven was the United States Attorney, and a good one. Bill Kane was the naturalization immigration officer. Jake Wainwright was the U. S. probation officer. And I fit in beautifully with all of these people. They helped me in every way they could, and made life more pleasant for me. They could have—if they'd seen fit to operate just contrariwise, they could've made life very miserable for me. But they were all most cooperative, and particularly John Frank Norcross. The judge had seen political appointees come and go, and I'm sure that he was sympathetic toward all of them. But he certainly was toward me,

and was most helpful. I never hesitated at all to ask him if I had a question, and there were so many things I didn't know about law that there was hardly a day that I didn't get some good advice from him. Well, the same goes for Tom Craven.

At that same time, John S. Halley was assistant to Tom Craven, Assistant United States Attorney, and he, also, was most helpful to me, as was Laura Rains, who was secretary in the United States Attorney's office for many, many years, now retired. But she must've been there more than thirty years, I would think. Also, the people in the United States Clerk's office, Otto E. Benham and—oh, who's the fellow I called just the other day to get some information on? Oliver Pratt, who was his assistant, and who later became clerk of the U. S. District Court. But the relationship with all of them was so good, and they were so helpful that they made coming into the job really a pleasure.

One of the first worries that we had in the office, which was really not a direct worry—and yet it was, because we didn't know exactly how much authority we were to have and what we were to do—was the fact that the Sixth Army had issued an order closing the cribs, the houses of prostitution, on the river in Reno, because of their proximity to Reno Army Air Base, and because, they said, of the prevalence of venereal disease in northern Nevada. We were not directly involved in this order, it being a military order. But we were instructed by my boss, the United States Attorney General, to cooperate in every way, shape, and form, and be sure that those houses of prostitution remained closed. This entailed no great big worries, but did require an occasional inspection or a drive by to see if there was any activity there.

About the same time, however, Judge Norcross had had under consideration

for a number of years a matter of water adjudication on the Truckee River. And at about this time (I had been in office for a month or so), we were told by the United States Clerk's office that there would be 1,500 summonses for us to serve in the Reno-Sparks area, some of them going as far as the state line, California-Nevada state line, and some, as I remember, going as far down the river as Wadsworth. This was a tremendous job because, although the subdivisions were few, all of the homes that had been built on property that formerly had water rights also had to be served because—whether it's still true or not, I don't know, but the assumption was, in those days, that the water went with the land. So when a man bought something that used to be a piece of agricultural land and built on it, he automatically obtained water rights, even though he might not use them. It was surprising the number that did, though. And they knew where the ditch was, and they knew how much water they were entitled to, and the watermaster knew, and they all had to be served. At that time the United States Commissioner was Anna Warren, and she lived at, I think, 118 Island Avenue. But anyhow, it was a great, big white house, the second house, second building west from the corner of Island and Sierra. And sometime during about the first week I'd been in office, I was on my way over there with a complaint, to pick up a warrant from her, which was standard procedure. The complaints were always drafted by the United States Attorney's office, then handed to the Marshal's office, where they were properly logged, and then taken to the United States Commissioner, for the issuance of a warrant. And I stepped off the curb on the corner of Island and Sierra and stepped on a little rock, and broke a little bone in my foot. This required hospitalization and a cast, which eventually ended up after a

week or so in a walking cast. And Lee Brawner and I served those 1,500 summonses in the Washoe Valley, or up and down the Truckee River, almost all of them with me in that cast. I got to be quite an expert on the walking cast, I'll tell you.

In those days, it was not possible to serve that type of a document by registered mail. It sometime later became possible, and, Lord, if that had only been possible in those days, it would've saved us weeks and weeks of work. And this happened to fall right in, oh, August and September, when it was real hot. It was a real chore! However, we got the job done, and shortly thereafter, the case was closed, which was really quite a feather in Norcross's cap because it had been in court for I just don't know how many years.

The day-to-day routine matters of the office were about the same from day to day. Our main worries in those days were draft evaders who flocked to Nevada (I don't know why), thinking, I guess, because we were sparsely settled that they wouldn't be found here. But they'd drift into mining camps, or even farms, and go to work. And when they were picked up without a draft card, many times by a sheriff or a constable or a chief of police, we would immediately be called, and we'd have to go out and arrest them, pick them up and bring them in to Washoe County jail in northern Nevada, or Clark County jail in southern Nevada because they were two of the only thoroughly approved jails for the detention of federal prisoners in the state. And this made our job quite difficult, too, because anyone picked up in any of the smaller counties, it was necessary for us to almost drop everything and go get them immediately and get them before a commissioner and have them incarcerated in an approved jail. We also, at that same time, in addition to draft evaders, had a tremendous number of

juveniles in stolen cars. Hardly a day went by that we didn't have from, oh, one to three to, maybe on a weekend, as many as six that would be picked up in stolen cars. And they were dangerous. They were our worst worry. We'd rather handle a hardened criminal than those kids in stolen cars because we found from experience that the old hard-core convict that had done time on Alcatraz, or some other federal or state prison, he thought things out pretty carefully, if he was going to make an attempted escape, or anything of that nature. But the kids would just act impulsively, do almost anything, and think about it later. So you had to keep your eye on 'em every minute. We had no serious accidents or occurrences, an occasional escapee. And, of course, whenever a prisoner escaped, the Marshall got the blame, even though he may not have had anything to do with it at all. It was customary to hire a guard. And the Marshall was responsible for the guard.

He might be guarding a patient in the hospital. But in a jail, it's common knowledge amongst the inmates that' the easiest way to escape is to be admitted to a hospital, 'cause you can get out of there a lot easier than you can out of a jail; there's no bars on the windows. And we did have some of those escapees. I recall one that escaped from the Washoe County Medical Center. I recall another time that Lee Brawner lost one on a train trip to the East. I don't recall exactly where, but it seems to me it was back in Iowa.

But it was real difficult to handle prisoners in those days. If they were caught in my district, which involved the entire state of Nevada, but were wanted in another district, another federal district, no matter where it might be in any one of the other forty-eight states, it was necessary for us to deliver them to that state in which the warrant was outstanding. Prisoners in those days were

not permitted on airlines at all. And air space was at a premium because the military was taking all the space that was available. They were permitted on trains. So we used trains, to some degree.

In fact, if we had enough people going to a particular institution, the Bureau of Prisons even had special cars that we could have attached to a train.

We used those very seldom, for the reason that we just simply couldn't keep the prisoners in Clark County, Washoe County jail for a sufficient length of time to justify calling a car. I remember, you had to have twenty—twenty prisoners before you could call for a special car. And then they had to be all going to the same place.

And when prisoners are committed, the judge doesn't stipulate where they're to be incarcerated. He merely sentences them. Then it's up to the Board of Prisons (associated with the United States Attorney's office) to designate where they go. For instance, most of our people went to McNeil Island, Washington, which was a general federal prison for almost all types of male prisoners except juveniles. All of our juveniles had to be delivered to a juvenile center at Englewood, Colorado, just south of Denver. Female prisoners had to be delivered clear back East; Alderson, West Virginia was the principle point, although that was always designated if they had a drug problem, and sometimes designated even if they didn't. Then first-time offenders that might be in their early twenties, adults, but young adults, invariably went to El Reno, Oklahoma, to an institution there. We had occasion to deliver people to Leavenworth, too. In fact, on many occasions, I visited Jim McKay and Bill Graham when they were incarcerated there. As a matter of fact, McKay ran the front office of Leavenworth, and Graham had some kind

of a job, too. They were really treated like royalty back there.

But because it was so difficult to get train reservations, and 50 hard to actually have complete control of your prisoners, we saw fit to drive most of the time, using our own cars. We were reimbursed five cents a mile for the use of the car, bought our own gas and oil, tires. And it was not unusual at all—as a matter of fact, it was quite common for not only myself, but all of the five deputies, as well, to drive as much as 10,000 miles a month. We were practically on the road constantly, if not within the state picking up prisoners, then outside the state delivering persons who had been convicted or wanted in other districts.

Back in those days we had a few narcotic addicts, but they were by far in the minority. No narcotic problems with the kids at all. And, oh, a very, very limited number of adults. Within the state of Nevada, our greatest single problem, or maybe that ranking up with draft evaders, was the problem of liquor to Indians. We had in the state just a known group of individuals, old-timers who didn't have Social Security, they had no retirement, they had no income. But they made their living, at least to some degree, by selling liquor to Indians, mostly wine. But they'd get anything the Indians wanted for a small fee. And then they got to share the product with the Indians, too, which was quite welcome. That law has since been repealed, but that was a real problem. We had at that time Indian officers stationed at Nixon and Schurz, and they just watched for these white people to come around and make a sale, and then they made an arrest, and, of course, justified their job. After all, it was law, and they were upholding the law.

Now, you want to go back for a little more detail on Judge Norcross on the liquor to Indians. The judge was a real kind-hearted man, but he was a good judge. He was real fair,

but he was stern. Because the liquor to Indians law was on the books, it was up to him to sentence any of these fellows who were found guilty or who might plead guilty. His feeling were entirely with them, and not in sympathy with the law, which was evidenced by the fact that, in almost all cases, the maximum fine was one dollar—and I'm sure in many, many cases, he lent them the dollar because, in most cases, they didn't have any money—and then would limit the sentence to the time they'd already served in the county jail.

Now, he was doing the federal government and its citizens a real favor, because it costs money. It costs just as much money to have one of those poor ol' destitute old-timers laying around in a county jail as it costs to keep a real criminal. We paid the county for every day they were incarcerated, we paid them for every meal while they are there. So it was putting this load onto the taxpayer, onto the federal government. The longer they were there, the more it cost. And I'm sure that Judge Norcross didn't think that there was anything that he could do in the way of a fine or even heavy jail sentence that was ever goin' to alleviate this situation, that it was something that's going to go on, no matter what, and the best that he could, maybe, hope to do is take these fellows out of circulation for a while. And it was a fact that these things generally happened in the winter, when work was scarce. These people would find work on a ranch, or—oh, there were a certain number of winos, of course, in the group that I don't suppose ever did work. But in my estimation, he certainly handled the situation beautifully, as did his successor, Judge Roger Foley, when Foley came in.

Foley became wise to this situation real quick, too, because we had to pay those bills. We knew what it was costing to keep these fellows. And both of them having been

around Nevada long enough to know that the problem was there and there wasn't just wasn't any solution to it, that the Indians were going to drink. And many of these old-timers, the only way they had of making a couple of nickels to get something to eat, and then, also, about the only chance they had of getting a drink was sharing the bottle with 'em when they bought a bottle for some Indian. So the federal judges were very sympathetic, and I'm sure they had the interests of the entire country at heart, because it was the law, they had no choice, and they were upholding it, and, I think, upholding it in the proper manner.

The actual federal crimes committed in Nevada didn't amount to anything. If there was a murder on an Indian reservation or a military base, we always entered into it to some degree. But the federal crimes originating here didn't— just didn't amount to anything; an occasional, maybe, income tax evasion case, or something of that nature. But in those cases, you generally were dealing with people you knew. So it wasn't—you didn't really look upon it as a criminal matter, although that's exactly what it was.

We had help, a lot of help, from shore patrol and from military police in the matter of arresting or picking up draft evaders, particularly evaders who would be unlawfully wearing the uniform of the military services. The shore patrol and the military police would pick them up, check their leave cards, and find that they were AWOLs, and so they would turn them over to us.

Even though I started off with only two deputies (and it took a matter of months to get back to a full staff), I had a real hard-working group of people when we finally got the organization completed. There were times when we actually should have had, maybe, three or four more deputies to keep the work

caught up, if we were to put in eight-hour days. But nobody worked eight hours. It was not uncommon for us to be up at five and still going at eight or nine at night. They put in their hours, and they earned their money. It was an exciting experience. I wouldn't go through four years of that again for anything, but I made acquaintances in every state in the Union, made a host of friends around the country. It's hardly, even yet, that I make a trip any place that I don't call an old acquaintance or see someone that I met during those days. It was pleasurable—although it was a demanding job, but it was pleasurable. The work, itself, was interspersed by the statesmen coming to the state, and when they did, either the Marshal or one of his deputies became the chief chauffeur for them. So, particularly around campaign time, you were kept pretty busy running them around, visiting, and keeping up their acquaintanceships.

We never did—none of us ever had any narrow escapes from injury. My own personal case, the only time that I even came close to losing a prisoner, I think, was I had taken a prisoner who was involved in the Huey Long scandal back to Louisiana, had housed him the first night in the Clark County jail in Las Vegas, left there early the next morning heading East, and we were rolling along late that afternoon, five or six o'clock that afternoon, with our radio tuned to KOB, Albuquerque, New Mexico (and we were somewhere down in that area). All of a sudden, out of the blue they interrupted the program and said, "If the United States Marshal for the state of Nevada happens to be listening, we have an urgent message for him. Call the station immediately."

Well, we were having a little car trouble. I was driving about a '42 Chevrolet, I guess, and it apparently had a burned valve, and we weren't making very good time. But anyhow,

we were not too far, maybe ten, twelve miles from Albuquerque when I heard this. So immediately, upon hitting the next phone, I called, and they said that the sheriff's office at Albuquerque had an important message for me. So I called the sheriff's office, and they said, "Get in as soon as you can, and watch that prisoner you have."

So when we got in, without telling me what it was all about, the sheriff asked the prisoner to come into his office and strip. They took off all his clothes and in going through the clothing after it had been removed from the prisoner, we found that he had spent the night before in Las Vegas breaking up two hacksaw blades into little pieces about an inch long, and then sewing them into the various seams in his coat, and on the waistband of his pants. Somebody had told on him in the Clark County jail, and they, knowing that I was going to spend the next night in Albuquerque, had phoned ahead and alerted them, or he certainly would've broke out of jail that night because he had all the equipment. Even though the blades were in little pieces, he had them. We naturally watched him very carefully from there on in to Baton Rouge.

But other than that, there were very few incidents. Something you learn real quickly in handling people of that caliber is that you have everything to lose and nothing to gain through being careless or being overgenerous to these guys. They'll work every angle under the sun to try to outsmart you, or to get you to take off their handcuffs—or, in some cases, depending on what kind of a reputation they had, maybe even leg irons. But we were very careful. And considering all of the prisoners we handled, we had very, very few escape. However, escapes in that line of work were common all over the country in those days.

There's a lot of misconception about what the office of United States Marshal actually

is and what a Marshal actually does. The TV series that you see, where the Marshal goes out and does all the investigating and makes the arrest and comes in and strings him up, and everything else—he's an investigator, the arresting officer, and almost everything but the judge—those days are gone forever, and they were gone when I was in the office. As a matter of fact, you're so busy with the day-to-day problems of apprehending people, taking them to court, taking them to their dentist, taking them to the hospital, taking them to the draft board, taking them for arraignments, taking them, finally, if they are convicted, to prison. But nobody in the Marshal's office really had any time for investigation, number one. Number two, it really wasn't necessary. There isn't a branch of federal government now that doesn't have their own investigative agency. As a matter of fact, the Federal Bureau of Investigation started out, as the name would imply, with nothing more than investigative powers. When the FBI was organized, they were strictly investigative and could not make an arrest, did not have the powers of arrest, any more than any other ordinary citizen. If they saw a crime being committed, they could, of course, as an ordinary citizen, make a citizen's arrest. This was later clarified to the point where the FBI now does not only investigate, but they make arrests, too.

But the same thing was true with probation violators. We didn't have time to mess around with them. That was up to Jake Wainwright and his department. The same was true of narcotics. The same was true of cattle rustling. You had the brand inspectors, and that was *their* job, to do all this investigative work. It pretty much boiled down that the law enforcement end of the Marshal's office is done, the arrests are made *after* some other agency of government has made a preliminary

investigation. In other words, you know why you're going after the man, and you already have reason to believe that the crime has been committed. That portion of it has been investigated.

I think it's important for this to be pointed out because whereas it is a law enforcement agency, the primary duties, any more, of a Marshal's office is the transportation and handling of either people awaiting trial, who have been indicted or arraigned, or else the transporting of those people to a federal prison where they will serve their terms after conviction.

Well, one of the highlights, I suppose, of those years in the office was rubbing shoulders with the convicts that we had to handle, and other people who had not been convicted, maybe not 'cause they weren't guilty, but—. Some of them were outstandingly smart. Some of them were only out of jail long enough to get into trouble again, and then they were back in. And they spent all their time in jail, either reading or studying. Studying, I don't know why. They never had any intention of using any of that knowledge on the outside, unless, of course, it might be to serve as the jailhouse attorney. And there seems to be one of those in every jail and in every crowd. He knows all the answers, and there's an easy way, you know. There's a loophole in every law, and all you have to do is ask the jailhouse attorney, and he'll tell you where it is. Few of 'em'll seldom hold up in court, but they *know* what they are, anyway.

But some of these fellows were actually brilliant and made those of us who handled them, in some cases, ashamed of ourselves, to think that they would be so well-read, and so up to the minute on current affairs. And I said many times—and I still feel—that about half of those people, if they had put half as much

time and effort into something good that they had put into crime, they could rightfully have become the president of some of our largest corporations, because they certainly were not short on brains. Without exception, I think the average fellow that we handled felt that he was just a little smarter than the other guy. He wasn't doing something that someone else hadn't done ahead of him, but he was doing it better, and he was smart enough that he wasn't going to get caught. And I think that's the underlying thing behind all crime, that they know it's wrong, but they've got it figured out to a point where, by gosh, the only thing the other guy did that tried it ahead of them was—only thing he did wrong was get caught. But it was an education, I'll tell you, too.

Some of them were very vocal. Some of them were too vocal. Some of them, particularly on a transcontinental trip by car, would start talking at five o'clock in the morning, and they'd still be talkin' at nine o'clock that night. But many things came out of that, too, of those conversations. They had been convicted, or we wouldn't be handling 'em, in almost every case. And they'd tell you things that never came out at the trial, sometimes things that might've been beneficial to them. And we used to encourage them, "Well, uh, why didn't you bring this out?"

"Well, my attorney wouldn't let me." Or for some reason, they—or maybe they forgot about it.

So we used to encourage 'em to—when they got to their place of incarceration—to tell all, might be to their advantage to have the whole story on record. And in many cases, this cleared up an awful lot of things that had happened, particularly in the cases of juveniles. Between here and Englewood, Colorado, so many times these kids would

start talking, and, Lord, they'd admit more things, and we'd say, "Well, gee, you know, it's going to make it a lot easier on you when you do get to Englewood. Why the hell don't you tell 'em these things? Lookit, you're taking all these cases off the books. They're still lookin' for the guy that broke the skylight and went into that jewelry store. And you say you were the guy, if you can prove it, it's to your advantage to do that."

Well, in many cases, we knew, it proved out later that, by gosh, they did just exactly that.

One of the most gratifying things of the four years in office, probably, was working with the well-trained people who did the investigative work prior to our making an apprehension, or prior to a complaint being filed. During the four year term that I was there, we were most fortunate, in both Reno and Las Vegas, in having a team of FBI agents who had gotten into the service early in the game, where either you had to be an attorney or an accountant to qualify. In most cases, they had had legal degrees or training. Some of them stayed with the bureau; I still have contact with them, two in particular—well, three in particular—four that I think of right now, Henry Truck, who is still with the Bureau in Arkansas; McGee, L. J. McGee, who still lives in Reno and is with the Trust Department of the First National Bank; [Carroll T.] Buck Nevin, who's with the state of Nevada, after having retired from the FBI; [William B.] Bill Ahders, who is still with the FBI in Midland, Texas.

They were high class men, men that it was a pleasure to be around, not only socially, but a pleasure to work with. They were, in every case, college graduates. This was not true of some of the other investigative agencies, the Treasury Department, the alcohol tax unit, the

Internal Revenue Service. We had very, very little contact with the Internal Revenue agents. They would make up their cases, take them to the United States Attorney, and if the United States Attorney felt they had a case, then, of course, it was up to us to take the complaint that was issued by the United States Attorney over to a United States Commissioner, get a warrant, and make the arrest. In many cases, if they had a real strong case, it could be that the person might already be in custody. But generally speaking, we made the arrest, no matter where the case originated.

But in all departments of government, every department, in those days, was so busy during the war years that they'd put in their hours and there was no overstaffing, no featherbedding amongst any of them, and they were just—it was just a pleasure to work with the kind of people that we had to rub shoulders with.

[Some of the other law enforcement people I worked with, the county sheriffs, and so forth?] Yeah, Ray Root was in office when I came in, and, of course, was most helpful to me. Everybody was helpful. They knew that I was a greenhorn coming into a job that I didn't have the first idea of what it was all about. And he was most helpful, so was George Lothrop, and Bill Driscoll. The chiefs of police—at that time, I think Harry Fletcher was the first one. But every one of them were most helpful in getting me started on a job I knew nothing about.

Well, we worked together very closely. However, most of their work, in the case of a sheriff or a chief of police—most of their work has to do with violation of state law or city ordinance. And we had no jurisdiction in the first place. So it was pretty much of a one-sided deal. When we went into an area looking for someone, or had a warrant for the arrest

of even a local citizen (sometimes they got a little rambunctious), they were most helpful to us. And there wasn't very much chance for us to reciprocate in helping them. So it really was a kind of a one-sided deal. They were in a position, if they saw a violation of federal law, to step in and take over themselves, if they wanted to. We were never in that position with city ordinances [laughing] or state laws. So they were most helpful, but I'm afraid we, in turn, didn't do much for them, and the reason, of course, was that we just did not have that authority.

[These sheriffs were political, too.] Yes, but entirely different than the Marshal because they ran for election.

Or, as a matter of fact, in many of the small communities the chief of police runs for election, too, or did in those days. And they were conscientious. They were dedicated people, generally speaking, that were there to uphold the laws, and that was their first and primary consideration, and they worked at it.

They had the electorate to look to. If they didn't do a good job, or if they were not ethical in their operation, they knew they weren't going to be there come election time. [It's] far different with the United States Marshal. Your only boss is the Attorney General of the United States. One man is delegated in his office to handle your district, several districts, probably. But so long as you stay on the good side of the politicians, the kingmakers, there isn't much worry. You're rated annually by the Department of Justice, and if you have an excellent rating, then you automatically are entitled to a raise. You also get a raise for your deputies. We were quite gratified that we got a raise. Everybody in the office, including myself, got a raise every year. They're graded CAF—I think, 7, is where everybody started, and, oh, we got up grades 11 and 12 during the four-

year period. That's the only efficiency rating you get. Whether you're going to stay and do the job or not depends primarily on whether you keep the United States Senators happy.

[What did I do to keep Senator McCarran happy besides acting as his chauffeur?] Well, that's about all. As a matter of fact, that's about all I was called upon to do. There was no requests for much other activity. You would be expected to get out and campaign, and campaign hard come election time, hard enough that you kept your skirts clean but yet get the necessary number of votes. You'd be called upon to assist with the organization of precinct meetings, and that sort of thing prior to election. But that's about all.

[How was Senator Scrugham to work with?] Well, very, very good. In fact, Jim and I were very close friends. We never had any differences. And he was more of the easy-going type. He wasn't the strong, politically-motivated type of individual that McCarran was. If you were a friend with him, you were a friend with him, and you just went along. He knew you were with him, and you knew he was with you, and it was just that simple. Not so with McCarran. McCarran was just—if you didn't cater to his *every* whim, why, you just were out in the cold, no matter how close you'd been in the past. Entirely different type people.

Well, going back to the appointment as Marshal, Bunker and McCarran had been casting about for someone to replace Middleton as United States Marshal. If they were agreeable to one, they weren't agreeable to the other. McCarran and I had been friends for many years, as long as he'd been in political life, as far back as I could remember. However, and when my name was presented—and I'm sure that it was presented by Bunker to McCarran—he immediately

approved. There was no quibbling, no anything. Although the inference might be, and the press might have assumed, that I was a Bunker appointee, it is true that he had to go along with the appointment. It may also be true that he proposed the name. That, I don't know. But the fact remains that, as an appointee holding a federal job—I don't care who it was—they were accountable to Patrick Aloysius McCarran, first and foremost. And when Bunker was appointed to the United States Senate upon the death of Key Pittman—or, after Key Pittman's death—it was generally understood amongst all of us who had worked so hard for Carville during his gubernatorial campaign that this was a temporary appointment, that it was a feather in Berkeley Bunker's cap, and no one even anticipated that he might run for the office. Politics being what they are, though, when that political bug has bitten you, it sometimes destroys what common sense you may have had in the first place. And we were absolutely dismayed when Bunker announced that he was going to run for United States Senator, knowing full well that Ted Carville was going to file.

And this was the cause of our first rift, between McCarran and me. I was on a business trip out of town when he called me and told me that I *must* be active in the campaign. I told him that I understood the Hatch Act prohibited that, and he said, "Well, you know how far you can go with that." And I told him in no uncertain terms that I just couldn't bring myself to support Berkeley Bunker if he was running against Ted Carville 'cause Ted had been a real close personal friend, much closer than Berkeley, that I thought Bunker was being completely unfair in even running against the very man who had made him, and that I just, under no

circumstances, would do anything to oppose Carville. I did say that I would stay completely out of the campaign.

And he wouldn't accept that. His purpose was not to elect Bunker, but to defeat Carville. And that is when we came to the parting of the way. And he told me that my appointment—reappointment—was about due (those were four-year terms), and he told me that unless I went along on that score that there would be no reappointment.

I assured him that reappointment wasn't the greatest thing in my life. The war was over. There was really no reason why I should stay in the Marshal's office. I had a desire to get into business for myself, and I fully anticipated that there would be trouble. However, little did I dream that he wouldn't give me the privilege of resigning. And I thought that there might be further discussion of it. There wasn't, however. Out of a clear sky, shortly thereafter, when I was out of town on another business trip, I received a call from the chief deputy at Carson City that a new Marshal had been appointed, that I better come home and turn in my keys. And that was the first that I knew that [Edward M.] Ted Ranson, who had been a real strong labor man all his life, of course, and railroader, had been appointed to—oh, had been nominated to replace me.

So at that stage of the game, there was nothing I could do but get ready to vacate the office, something that I resented very much, and had the privilege months later of telling Senator McCarran face to face in the Riverside Hotel exactly how I felt about it.

But as the saying goes, those who live by the sword die by the sword, and I had no business feeling unhappy about it. Either I went along with the establishment, or I could have resigned right then and there. I didn't even think about it. I thought it'd be all smoothed over. But the only distasteful part

of the whole four years in the office was being fired—that's what it amounted to—because I'd never been fired from a job before or since.

SUMMARY OF WORK IN THE MARSHAL'S OFFICE

Summarizing this four years I, I think I pretty much covered that in one sentence when I said that it was a real gratifying experience. I enjoyed every bit of it. There was complete harmony from top to bottom. The United States Deputy Attorney General in Washington, to whom my district was assigned, district of Nevada (and I think he had California, too), was a fellow by the name of Andriotti. We got along beautifully. Even though the day-to-day work was difficult, I enjoyed it. You get so used to sitting in a car that six hundred miles a day was no problem at all. Many days we drove seven hundred and fifty miles a day. And not only I, every one of the deputies worked as hard as I did.

But it was an experience that I don't know how you'd get any other way. I saw every state in the Union, most of them several times, with the exception of a few of the New England states, Maine, New Hampshire, Vermont. In the first place, very, very few people were ever picked up in our district that were wanted back there. And we had a kind of an unwritten law amongst Marshals that, if the Marshal from one of the New England states wanted to come to Nevada and pick up his prisoner, we would defer him. In other words, he would pick him up instead of us delivering him. And this happened on several occasions when, hell, I bet they'd never been out of the New England states, and they had a chance to come to Nevada. So for that reason, we didn't get into that area. We had exactly the same thing happen in Alaska. Even though Alaska wasn't a state, they had a United States Marshal. And

on several occasions, we had picked up people wanted in Alaska, and we would offer them the privilege of coming down to pick 'em up, or we would deliver them. And in every case, they came down and picked them up.

But the travel, the people we met, getting to know something about the inner workings of law enforcement. And I can truthfully say that, of all the contacts I made in law enforcement throughout the country, that ninety-nine percent of the people are dedicated people. They really were in there to do a job. I don't know if that's still true. I kinda have a reason to believe it is. But I've had the deepest respect for anybody in law enforcement ever since those days.

And I think that if—well, I was going to say if the average young fellow starting out actually knew how sincere and dedicated the average law enforcement officer is, I think he might be inclined, maybe, to get in the business himself, instead of defying the law and using this "pig" attitude toward law enforcement people. It taught me one thing, that law enforcement people, by and large, are the greatest friends the average citizen has on earth. Where the hell would we be if the majority of 'em were corrupt? We'd really be in trouble! Fortunately, the majority are dedicated people.

[How did my home life go along during this time?] Well, one thing about my wife. She never complained of any of the changes I made during my lifetime, the only thing—I've, of course, asked her every time I made a change, including the United States Marshal. She wasn't too wild about it. Of course, young Les was. He was real small when he was real enthused about his dad being United States Marshal, and particularly amongst his friends and at school, when he could tell em his dad was a United States Marshal and was just taking somebody to New York City or

Miami Beach, or something. Why, that, of course, made a great impression. Like every other change I ever made in my life, she went along with it. I *know* she wasn't happy. How could she be happy? I was gone twenty-five days a month, I'm sure. But she had the boy, and then, so many close friends. We lived just a block from the Wayne C. Hinckleys, and they were real close friends. So she had company. But those must've been trying days for her, not knowin', you know, whether I was comin' back or not. And handling the kind of people we were handling, it's different than goin' to a tea party [laughing]. But she never whimpered about it.

RENO BUISNESS 1946-1952, CIVIC AFFAIRS OF THE 1940S AND 1950S

BUSINESS ACTIVITIES 1946-1952

Well, prior to the fateful message that I receive in San Francisco, that a new Marshal had been appointed without my knowledge, or without the privilege of having resigned, I had cast about around town. I had sold my holdings in Lovelock in 1944, completely, residential property, commercial property, the motel, service station, the Associated distributorship, and had stashed that money away in the anticipation of the day that I would get out of the Marshal's office and back into business.

So I had left word with many of my friends and many community leaders that I would be looking for something when the war was over, and asked them to keep their eyes open. Among those people was George Wingfield. Mr. Wingfield and I were never real close friends, but we enjoyed each other's company, and I used to be in and out of the Riverside quite frequently because the visiting marshals and deputies invariably were housed there, primarily because it was so close and

convenient to the Washoe County jail, where they would either deliver or be picking up their prisoners.

So at about the same time that we had word in the press, I would think the day after I had the word that a new Marshal was to be appointed, I had a call from Mr. Wingfield, asking me if I had made any plans (and, of course, extending his condolences like everyone else was doing at the time), and I assured him that I hadn't, that I was still looking. And he asked me if I would come down to the hotel to meet a friend of his. So, being just across the street (I was in the Marshal's office in the post office building), I went across to his office, and he in turn took me up to a suite, and I was introduced to Edward F. Hale. Ed was a heavy equipment distributor at Hayward, and had quite a business, a real large operation. And he sold, oh, many of our Nevada contractors, Andy Drumm, the Isbells, and, I think, probably all of them from time to time. In that business, like most other businesses during the war, there had been no equipment to sell, and Ed spent those war

years roaming around the country buttering up sales managers of various companies, not only heavy equipment, but he saw a golden opportunity in the appliance business, too, that there had been no appliances since '43 or '44, whenever the '42 stock was depleted. And he could see a tremendous built-up market for electrical appliances of all kinds.

So his proposition to me, when we met in his suite that day, was that he was well financed, he didn't need money, I couldn't buy into his operation, but he was looking for a manager, Someone who had had experience in appliance sales, and even service, because it was anticipated that it would be a small operation here to start. And almost without hesitancy, I accepted, with the understanding that, at a later date, if I wanted to buy in, I would be permitted to do so. We worked out a very satisfactory salary-and-share-of-the-profits type of deal.

He was having a building constructed for his occupancy, almost on the corner of South Virginia and Thoma, directly across from what was then the Lincoln-Mercury agency, and next door to the Dodge agency. I believe the address was 515 South Virginia. It was a double-occupancy building, in which we were to have the full basement, and one half of the upstairs. It was ready for occupancy for us in about October, as I recall.

So I spent, oh, maybe a month or so doing nothing, resting up, actually, and watching the construction of the building. Merchandise began to roll in from various distributors, which was warehoused until we could move it into the completed building. And amongst the contacts Ed had made during those war years in his travels around the country (and he was a great traveler) were the top people in the Stewart-Warner Corporation, who made, oh, South Wind heaters, primarily, in those days, but were going all out into the radio field. They

had made radios in the past, but they had plans for tremendous expansion. Washing machine companies, range manufacturers, appliance, small household appliance manufacturers of all kinds. Ed was on a first-name basis with almost everybody in the sales departments of the major manufacturing businesses.

So by the time we were ready to open, the latter part of November or the first part of December, we had merchandise on hand, in many cases in carload lots, before anyone else in town even had a sample on the floor. We carloaded in radio phonograph combinations; no one else had them. We had a line of Prestoline electric ranges; no one else had them. We didn't have a refrigerator line. But General Electric did come out with refrigerators before almost anyone else, and we did have a swapping agreement with Linnecke Electric, which was then managed by Hayes [E.] Shaffer, and Hayes was the individual with whom I did all my business. They would have calls for a range and refrigerator, we would let them have a range so they could complete their deal. We would have calls for a range and refrigerator, and they'd let us have a range to complete our deal. So we worked very well together.

We also had many new items. We were the first distributors of the Travel-lawn, the moving, rotating lawn sprinkler that follows the hose and shuts itself off wherever you determine you want it shut off. They didn't always work, and we ended up with a few flooded basements, and one thing and another. And I think, probably, we were amongst the first to have the room-to-room intercom, a battery operated deal, at a price everyone could afford. So when we opened in the forepart of December, we had a pretty complete line of merchandise. We also had a brand new ventilating device called Vornado fan, which became tremendously popular.

And we operated both as wholesalers and retailers. Just before opening, I had asked Howard McKissick, Sr., who had had experience as a bookkeeper and accountant prior to having joined me in the Marshal's office, to come with me as office manager. And he agreed, and we opened the business, just the two of us. We did later hire three salesmen, one that made the territory and sold to dealers in the Tahoe, Truckee, Carson, Lovelock-Winnemucca area, Fallon. I recall that one of our most active dealers in those days was Jack Sommers, who had a little appliance outlet at Fallon before he got into the gambling business, and before he bought into the Ferris hotel in Winnemucca. And he was a real active dealer, and paid his bills, too; that was quite important.

When we opened with a stock of merchandise that no other appliance dealers in the West Coast had, we were the envy of every other dealer in the area, naturally. We were also the envy of many other distributors. And if it hadn't been for the scarcity of merchandise we could never have operated as a wholesaler and resellers, too, because the other resellers frown on that type of an operation, and did, in those days, particularly. That's quite common now, but it wasn't then. It's gratifying yet to see some of the equipment that we sold back in those years still in service in the homes of friends, or in places where we go. So it was quality merchandise. And everything that Ed lined out was of the very best quality.

That business was tremendously successful and profitable, for me and for Mr. Hale. Our month of December, we kept every delivery service in the area busy delivering console radios. They would uncrate them and put them in, and then I would go around and double check to be sure that the record changer worked, and everything. But the

returns from that business, on the retail level alone, during the month of December, was fantastic. Then after that first month we concentrated on the wholesale end of it, and a good percentage of our business was wholesale from there on, until one day I got a call from the bank.

Even though Mr. Hale was well financed, it took a lot of money right then to restock the type of equipment, particularly, that he had in the Hayward operation, where it was not uncommon for a piece of equipment to run up to \$60,- to \$100,000 or more. So, in opening the store here, we had resorted to financing the inventory. When we opened, all of it was floored on a flooring plan with CIT corporation, and later, much of it was financed for us through Lawrence Warehousing. Our relationship, between Ed and me, was most pleasant. He loved to drink and gamble, and he couldn't get to Reno often enough, so we spent a little time together around the saloons, restaurants, and casinos when he was here.

But something I didn't know until after it had all happened was that his wife had financed him in the equipment business, that he had married into money. And he was a handsome rascal. He was about six-two or -three, curly hair, just a little gray at the temples that gave him a real distinguished appearance. And I got a call from him one day to come down to the First National Bank on the corner of Second and Virginia and sign a note for the business. And I said, "What for?"

And he said, "Well, I've got to have some money, and they're willing to give me \$40,000."

So I went down to the bank, and one of my oldest and dearest friends was handling the transaction, Carl Friesen. And I said, "What's this all about, Carl?"

He said, "Well, he tells me that he has some marital problems and that he needs

money desperately." (Now, business was good. We were making money. But we weren't making money as fast as he needed it.) But Carl said, "We've agreed to lend him \$40,000. However, it's to be a loan to Edward F. Hale Company, Reno branch."

And I said, "Well, fine. With what security?"

And he said, "Well, with your inventory." We carried about a \$90,000 inventory at all times, and I would think that ninety percent of what was financed was floored.

And I said, "Well, this is kinda unusual, Carl. We don't own anything down there. We might own maybe eight or ten thousand dollars worth of merchandise, small stuff that we've paid for as it came in. But most of it's floored."

Well, he was amazed. And naturally, for no bank would make a loan—it would amount to taking a second mortgage on the stuff. So they apparently got ahold of Ed, and Ed got ahold of me and urged me to go ahead with him on the loan. But when the bank had the particulars, they just lost all interest in the deal and refused the loan.

There were no hard words except between Hale and the bank, but there were some definite hard feelings between Hale and me. I thought I was dealing with an honorable man, and when I found out I wasn't, I told him that I was leaving, that I didn't want to associate with anyone who would attempt any such thing. (How much danger is there for being sued for libel in a story of your life?) Well, it was hard to believe that the guy was this kind of a guy.

Well, after notifying Hale that I was leaving immediately, but so that I wouldn't leave him in the lurch I would make arrangements with Howard McKissick to stay on until he either found a new manager or decided what he was going to do, I did leave, I think, probably

left the business that day. I just wanted to completely sever connections with him.

In the first place, it was a tremendous shock to me because he didn't appear to be that kind of a fellow. However, in looking back, I realize that he was in a real serious situation, and he was grasping at straws. It wasn't more than a week or so after I left that his problems were actually compounded, and he decided to liquidate the Reno branch, and Howard McKissick stayed on and liquidated it for him.

But that was the end of the appliance business in Reno. And actually, we had taken the cream off of the business because of Ed's connections. We had merchandise so far ahead of other distributors and other dealers that the business, by the time I left, was becoming highly competitive. Everyone in those days had merchandise, and it was becoming highly competitive. And the cream had been skimmed, and it would be just another, I would think, successful business, properly operated, maybe still be in existence today, but not on the same terms and with the same kind of return that we had been able to make in the first year or two of operation.

Here again, during this operation, though, the fact that I'd been "Mr. Fix-it" all my life came in real handy because we did have—these were the first automatic record-changing phonographs that had been on the market in any quantity. And the record changers were a little bit delicate and *real* difficult to adjust. However, once they were adjusted, if they weren't mistreated, they operated very well. And it kept me just about busy, keeping those things working, for the first few months after Christmas. [Laughing] That first year, they all had to be carefully adjusted. They were temperamental. And the same was true of the electric ranges. I knew enough about that. Everything was built in a hurry. Even though

it was quality merchandise, the workmanship was not exactly what it should be, so there was always plenty of service work. And here again, my early training as "Mr. Fix-it" came in very handy.

Now, these years in the life insurance business—gosh, it seems as though everybody's been in the life insurance business at one time or another, but after leaving Ed Hale, and after having put in all those hours every day—hours didn't mean anything to me. But that's kinda the history of my life. I had never worked at anything where I had regular hours, it didn't seem. We worked Saturdays and Sundays and evenings, and everything else. But after leaving him, I took a month off and did absolutely nothing. My wife and I traveled a little. And I was looking for something. I had money in the bank. I was willing to buy a business. I had looked at many, many things in the month or six weeks that I had been [unemployed].

But some of our travels during that month or six weeks took us up to Medford, Oregon, where my brother Ernie lived. He had moved up into Oregon after many years with Standard Oil Company down here in Reno and Lake Tahoe, and had been stationed at various places in Oregon, Lakeview, Medford, finally at Drain, where he was involved in quite a bad fire as a result of filling the tanks in a new service station. And apparently, [as a result of] either defective wiring or something, he was in quite a gas fire, and severely burned his arms and hands. And after recovering from that, he just didn't care to get back into the gasoline business. He was an agent, but drove his own truck and was handling flammable materials all the time.

So he had left Standard Oil and had gone to work with New York Life Insurance Company, and I guess, probably by this time had been with them maybe ten years, and had

done very well, liked the work, had a real high class clientele around the Medford area with many large fruit growers and others amongst his clients. He gave me quite a pitch on the advantages of selling life insurance rather than investing in business or getting into politics. New York Life's branch manager, Sterling Sill, out of Salt Lake City, who was a huge man, very capable individual, was a pillar in the church, served on their twelve-man board of apostles, or whatever they call that, he came to Reno and gave me a pep talk like nobody's ever given anybody, after having me submit first a resume of my life, particularly my selling experiences, and assured me that I was just a natural for the life insurance business, and was quite anxious to get me started.

So, looking at it from the standpoint of the future, with no investment, no inventory, no payrolls to meet, it impressed me that it was a very desirable business, and so I went with them in the fall of 1949, and my first three months—I actually went to work for them in September, but I'd spent the first month studying, and didn't even make a contact or a call until October first. And the reason for getting in on October first [was] that the company was having a big sales campaign in honoring one of their presidents or chairmen of the board, or something. And the contest lasted for just three months, October, November, and December, of '49.

After studying a month, and then making up a list of those who I thought I might talk to about life insurance—and, of course, an individual always starts with his friends and relatives, I'm sure, in the insurance business—I was tremendously successful. One of the things they impressed on you is that you don't sell the policy, you sell what the policy will do. And I used the approach that, here's the only way in the world for a young couple to build themselves an estate before

they've ever earned it. In using just this sales talk and some diagrams that I'd devised to go with it, showing how you could build yourself a \$10,000 estate, or increase your estate by \$10,-' or \$20,000 by the mere payment of a monthly premium, providing you were healthy, I was tremendously successful, so successful, in fact, that I won that contest, amongst all the old-time agents in the entire Intermountain Branch agency, which took in, I think, Idaho, as well as Utah and Nevada.

And as a winner, I was flown back to the Waldorf-Astoria Hotel, where a dinner was held in the ballroom. It was a formal affair—as near as I can remember, the first time I'd ever actually gone all out in a tuxedo. I flew back with my brother Ernie in his own plane and took my boy, Les, with us. We stayed at the Waldorf-Astoria and I took in the dinner. I was permitted to sit at the head table, together with the president of the company, chairman of the board, and some of the directors, and was awarded a little bronze medallion with my name inscribed on it as having been one of the winners of that contest. I think I was more impressed with New York Life after that meeting, after having met the president and the chairman of the board, and, before the evening was over, we were on a first-name basis.

And many of the old directors were present—I recall one gentleman, an old Irishman by the name of McConnell, who had been with the company for years and years, and as I remember, he was ninety or ninety-one years of age. He was one of the persons making an address that evening. (I wasn't the only winner there. There was a winner from every district around the country. I don't know how many districts they had, but there must have been fifty or sixty winners there.) And he made a talk that I'll never forget as long as I live, and I've tried many

times to get a copy of it, and I just haven't been able to find it. The subject of his talk was "A Very Fine Line." And he brought out the differences between success and failure, and the differences between being rich and being poor, and all the other differences that we run into in life, and pointed out how fine the line was between success and failure, and what little deviation would mean going one way or the other. And it was one of the best speeches I had *ever* heard, and one that gave me extreme confidence in the company, too, to think they had men like that.

I think, probably, what made the speech most enjoyable was that everyone there that had been in the company any length of time at all knew him because he was a real character. But he started off his speech by saying, "Mr. President, Mr. Chairman, and Gentlemen, I am extremely glad to be here tonight. But, of course, at my age, I'm extremely happy to be *anyplace*" [laughing]. He got everything off to a good start, and he certainly did inspire those agents present. I suppose everyone there had heard the same talk, probably, many times, other than me.

After a few months in the business in Reno, I saw that the potential *was* there, that, Lord, nobody had enough life insurance, and an awful lot of people didn't have any, even with a wife and kids, and a mortgaged home, and a car that wasn't paid for. And I saw possibilities. But after having attended a meeting someplace—and I can't think where it was, but it seems to me it was Yosemite. ([They] have a number of clubs in the New York Life that you qualify for through your sales efforts. And each of these clubs meets in a different location each year, and the one to which you are invited to attend—and it's a sales program, of course, but there's a lot of fun thrown in with it.) The one I attended was at Yosemite, anyway, and all expenses paid (they

even gave you mileage to get there and get back). And the sales program at that meeting had to do with business insurance, "key man" insurance, a company carrying coverage on the key person in their organization, which gave them funds to go out and scour around and find a successor in the event of the death of that key man; or partnership insurance, where each partner would own a policy on the other partner's life, which was set up in connection with a buy-and-sell agreement between the partners, that in the event of the death of either of them, the widow of the deceased partner would be repaid for her husband's interest, either in cash or using the proceeds of the life insurance policy as a down payment, and then monthly payments to come out of the business.

This was extremely popular coverage. And there were so many partnerships in those days that it struck me, after getting back from that convention, that here was an opportunity to bring my brother down from Medford, Oregon, and set up a partnership, specializing primarily in business insurance. This we did, and were able to find office space at No. 8 in the Arcade, sharing it with Ray P. Smith and his real estate business. And we stayed there at that location, were very happy there during the entire time I was in the life insurance business.

When Ernie came down from Medford, we expanded, and we spent considerable time out amongst the ranchers and other businessmen in the Lovelock-Winnemucca—well, even Carson City-Minden-Gardnerville area—and developed a pretty nice business over the years. Both of us made the top sales club (which they called Top Club) every year, and made many trips to various places for the sales meeting each year, expenses all paid, and we were, of course, permitted to take our wives.

It was a real happy experience, and I enjoyed it. In the first place, I believed in insurance, having bought my own first policy in 1927, the very year I got out of high school. It was easy for me to sell life insurance because I believed in it. Now, we did a lot more selling than we actually got paid for, because in many instances, we would plant the seed of the need for insurance coverage with a business, sometimes even maybe with their board of directors. But invariably, in business insurance, there's always somebody in the firm that has a brother or a cousin or an uncle or a very good friend in the life insurance business. So we did all the selling, and then they'd buy the insurance from someone else. This happened in two local partnerships while we were in the business. And even though we didn't make five cents on the coverage, we've always felt that it was largely because of our efforts that those two businesses were able to carry on after the death of a partner because of our selling the insurance—first of all, selling the need for a buy-and-sell agreement between partners, whether it's funded by life insurance or not. But then having sold that need—and that's just common sense, it didn't take any amount of selling to convince a person. They just never thought of it, that it's best for everybody to sit down, including the widow-to-be, and make these plans *before* something happens so that *everybody* understands what's going to happen in the event of a death. Then, of course, there is no other economical way in the world that you can finance a buy-and-sell [agreement].

CIVIC AFFAIRS IN RENO

Well, when I moved into Reno in '42, I seemed to've brought with me all the civic and fraternal connections that I had in Lovelock, in addition to having added some more. I

hadn't been there very long until I transferred my membership into the Downtown Reno Lions Club, and served in that club in various capacities until '48, at which time I was elected president, and served the year of '48 and '49, the fiscal year, as president.

We had a real good group during those days. It's still a good group. But they were real civic-minded. Rex Arlo Crider, a chiropractor, was one of the sparkplugs. But then we had, oh, Leo F. Schmidt, and Frank—oh, Lord, that was the county assessor—Campbell, and John Foy, and people of that caliber. I should be able to remember more of them. But they were a hard-working group, and it was a real pleasure to work with them. I came into Reno as a past president of the Lovelock Lions Club, and so having served as president of the Reno club, I have the distinction that very few people in the country have, of being a past president of two Lions clubs.

In the Lions Club activities, we had about a hundred and fifty members. It was maybe a hundred and twenty, I would think, when I first moved in. We met in those days in the Trocadero Room of the El Cortez. The club grew, and we outgrew that location, which was bad, 'cause everyone was happy there, and the food was good. We had unusually high attendance. And moving to larger quarters and expanding the club, we did notice that our attendance dropped off. To keep the club from growing larger, really, than it was then (of course, it has grown, in spite of what we did), we did organize—and I'm sure it was during my term as president—the South Reno Lions Club. They had a real active group down there. All of the service clubs do some worthwhile work. They have their own pet projects. Sight preservation and the purchase of eyeglasses, of course, is the number one project of Lions Clubs. But there's hardly a month goes by that they don't provide glasses for someone

who wouldn't otherwise be able to afford them, or even eye operations. And now, of recent years, [they] have gone into a sight bank, too, where they actually provide new eyes for people. We had an extremely active committee in our blind work committee. And in those days, the Lions Club pretty much did all of the work that was done in the ways of sight conservation, because you didn't have the state or federal government into that activity. And it's been one reason for Lions Clubs branching out into other activities, the fact that many of those projects have been preempted at the government level.

It was my pleasure during my year as president to attend the international convention in New York City, which is really something for anyone to attend. George Hamilton and I represented the club. George was then secretary of the Reno Lions Club, still is. And he and I attended, representing the Reno club, and marched in the parade in New York City in the rainstorm. But it was a colorful affair, and it's gratifying to meet particularly the foreign delegates who, in most cases, speak English as well as we do, and visit with them and find that they have the same aims and purposes in almost every other country on the face of the earth that we have here in the States or in our own Reno Lions Club.

I don't think I had affiliated with the club for more than a matter of a few months until they appointed me "tail twister." That was a job I'd had in the Lovelock club, and enjoyed doing, I guess—did it too well, because, finally, the only way I got to be president up there was I absolutely refused to take the tail twister job for another year. And the same thing, pretty much, happened here. I broke in, with the first two or three years, as tail twister, and every year, it was the same old story. In the first place, it's difficult to—actually, it's almost

a job of entertainment, to keep a hundred fellows entertained, when they'd probably just as soon sit there and chat with each other during lunch. So it's quite a chore to come up with new ideas, new gags every Thursday, and hope to entertain them a little bit better this Thursday than you did last Thursday. And it just got to be a real chore, but I didn't have to refuse to serve in Reno. One of my champions, Leo Schmidt, who had come in from Reno ahead of me, and [William A.] Bill Totman, both of whom were past presidents of the Lovelock club—. Well, Leo sponsored me for the presidency, and I won handily at the election, if there was one. I don't recall that it was even an election. I think I was just kinda drafted to serve.

But it was the enthusiasm of people like those fellows, who looked forward—Lord, Thursday noon was the highlight of the week for most of them. And it really was a pleasurable chore, except serving year after year after year as tail twister, I really got fed up on that tail twisting job.

Now, that job has a counterpart, I think, in almost any other service club. During those years, and even yet, I have occasion to visit with, occasionally, the Optimists, Kiwanis, and more often, the Rotary Club, and they all have some little system of twisting tails or extracting fines from the members. We had a ten-cent limit in order not to hurt anyone. Anyone that was fined more than ten cents would protest, but they never won. Rotary, for instance, which I attend quite often, a five- and a ten-dollar fine is nothing to them. But they've grown up with that, and they expect it, and they look forward to it as being kind of a form of advertising, I guess. But we had an awful time getting more than, oh, maybe a dollar out of Lions, though, as a fine. All of this was in fun, and the fines always were willingly paid with no hard feelings because

that money went into the sight conservation fund. And they knew that eventually, whether it cost them a dime or a dollar, that it was going to be beneficial to somebody. They were doing some good with it.

All of the fraternal activities that I had followed in Lovelock I found were just too much of a chore, and I dropped out of most of the fraternal orders after coming to Reno. I just didn't have time for 'em. Most of them meet evenings, and I was gone so much that I dropped out of most of them, maintaining my membership in the Masonic Order and later in the Shrine. I was immediately drafted when I got here to work on Community Chest, and I did serve there two years as campaign director, the second year only because my campaign director got himself too busy in the legal profession and simply couldn't serve (about a week before the campaign, so I fell heir to the job). I also served as president of the Chest that year. This, too, was time-consuming, but enjoyable work.

For almost as many years as I can remember back, I served on the Mayor's Advisory Committee on Solicitations. That's the group that determines which of the charitable institutions will be permitted to have fund drives, and also, set the date for them. And this is a tremendously important activity because so many of the smaller charitable drives, invariably, are set for the fall months—or that's when they want to have them—in direct conflict to Community Chest or United Fund. So the purpose of that group is to kinda scatter them throughout the year, and to weigh the legitimacy, too. So with many of the out-of-town people coming in for fund drives, we found, it's a matter of taking money out of the community and contributing nothing. So even though there was a question of the legality of our action in some cases, we were able to keep a lot of those

people out, primarily because they didn't feel they wanted to take us to court.

Well, [the Mayor's Advisory Committee] has always been a controversial group. The only difference is that there's been, of recent years, Entitas and some others, Synanon, and other groups, that have had outside local advice, and have actually challenged the decisions of the board. We always had those differences. I can't think of an awful lot that I can elaborate on.

And the Mayor's Advisory Committee, it was exactly that. We had no authority other than advisory. It consisted primarily of downtown merchants, but the president or chairman of the Community Chest always sat in as one member, the chief of police, and a representative of the sheriff's office, too, sat in, because they were most helpful in investigating backgrounds of the applicants, and things of that sort.

We never had any real controversial matters come before us. We had many that we turned down. We had, oh, application after application from the Synanon group. They were always turned down by our group unanimously, even though we'd have those people come before us and appear personally. We could never get the endorsement of the district attorney's office or the chief of police or the sheriff. We never could get them convinced that they were beneficial. They did continue to bring people to town who were ex-felons, and who failed to register, flouted the law, defied the officers. And the general attitude of our committee was always such that we just didn't feel that they were the type of organization that we should turn loose on the public.

Of course, there's many, many minor things that come up that either are prohibited by city ordinances, and you have no choice but to turn 'em down, or that just look like flyby-

night operators. I don't know how I could elaborate much more on that. I'm sure that the workings of the committee then weren't any different than they are now. The reason for it seeming controversial now, I'm sure, is just because of these either regional or national groups, such as Entitas and Synanon, have taken exception to some of the rulings.

Having been real interested in fish and game matters at Lovelock, and having served there as president of their rod and gun club, it wasn't long until I was active in the Washoe County Rod and Gun Club, and served as president, and that was an experience. We had old-timers in there like Al Ward, and others, who convinced me that sportsmen are, by far, the ruggedest individuals that breathe. I always said that in working with them it was almost impossible to get two sportsmen to agree on anything. They feel that *their* system of handling things is superior to the guy next door or across the street, and they just aren't about to listen. And I said that so many times that I had convinced myself.

However, in 1952—and more specifically, in '56, when I got directly involved with the gaming interests—I found that there was one group that were way above the sportsmen, as far as rugged individualism's concerned, and that, certainly, is the gamblers, because they had all grown up practically with no rules, regulations, or laws to live by other than honesty. And they felt that each of their own little systems was better than the guy next door or the guy down south. That in no way detracts from the rugged individualism of the average sportsman, though, I'll tell you. And anyone that served in any of those organizations will certainly bear that out.

About 1948, too, in connection with Washoe County fish and game matters, we had a man approach us on putting in electric screens on all the diversion canals coming

out of the Truckee River. It was a rather expensive undertaking because it required, in almost every case, running power lines, first of all, and then the installation required some pouring of concrete. But we were convinced, after watching this device work, that it would keep the trout in the river, that it would prevent them from entering the diversion ditches—irrigation ditches. It worked on a principle of electrical impulses, which were discharged—well, now, I'm sure that the closest thing we might be familiar with is a Relax-a-cisor machine, that it just sent out an electrical impulse, and the fish would not enter that area when it was on.

It worked beautifully, except during the spring floods it'd wash them out, or they'd get clogged with debris (they were just floating screens of rods; they were aluminum rods). And I don't know—over the years, they deteriorated, and there was no one to take care of them. And they've all vanished, and I've wondered many times why, 'cause they did seem to be doing the job. We found very, very few trout in the ditches after those were installed. They weren't expensive to operate. They were expensive to install, but we were able to get enough donations to cover the entire expense, and I'm sure the county helped us to some degree on it, too.

But there again, that was another time-consuming thing that required frequent trips up and down the river with the gentleman who invented the device, and came here, and stayed, for months on end, supervising the installation. But it was just another one of those interesting sidelights of having gotten into that fish and game work.

We also were active, through Washoe fish and game, in the activities of Ducks Unlimited in Canada. And in those years, we used to go around and promote prizes from the various merchants, not only sporting goods

stores (although we hit them heaviest), but we would hit the clubs; they'd contribute or donate sporting equipment, guns, and other sporting equipment. And the year I served as president of the Ducks Unlimited group (and I remember what year that was; it had to be around '49 or '50, I'm sure), we raised, during our activities that year, \$25,000, which was enough, when matched with other funds that Ducks Unlimited put out, to build and create Lake Nevada up in British Columbia. And that, of course, is still an operating arm of the Ducks Unlimited factory up in Manitoba in British Columbia.

I'm sure there's got to be other organizations, but I don't think of 'em. Back in those years, I wasn't in the rodeo association or the fair. Those come later. But we might as well hit it now. Well, it's actually in there, '42 to '46. But that was two other organizations that I served as a member and director on the board of directors, and finally as president of one—the Washoe County Fair (which is now the Nevada State Fair), and the Rodeo Association. I did serve as a director for many years, and resigned that position, too, when I moved to Sparks, just didn't have the time to give to it. It does seem to me that we talked about some other organizations, but I don't know what they were.

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I'm sure there's got to be other organizations, but I don't think of 'em. Back in those years, I wasn't in the rodeo association or the fair. Those come later. But we might as well hit it now. Well, it's actually in there, '42 to '46. But that was two other organizations that I served as a member and director on the board of directors, and finally as president of one—the Washoe County Fair (which is now the Nevada State Fair), and the Rodeo Association. I did serve as a director for many years, and resigned that position, too, when I moved to Sparks, just didn't have the time to give to it. It does seem to me that we talked about some other organizations, but I don't know what they were.

There were many other organizations and activities that I became involved in. I, for some reason—I guess because of my position as United States Marshal—was elected and organized the first county civil defense unit that we had. And with the cooperation of the Red Cross people and the sheriff's office, police office, and particularly my right-hand man at that time, Sam Houghton, we did put together a pretty good little organization. And I continued on in that position until '52, when, along with many other things, I felt that with moving to Sparks, I had better resign. I was too far from the heart of things. But we had warning systems set up, and we had the best we could find as disaster areas—what do they call them now? Cyclone cellars, or—? Bomb shelters, yeah. Bomb shelters, I think we called 'em. We had regular drills, seems to me, almost weekly. Never were we called out on a real emergency.

Oh, one time I was called out by the Civil Air Patrol, who had a report that parachutists had landed in the low hills just east of Fernley. We had a number of private fliers in our organization, and I drew as my pilot, in a little single engine private plane, ED. L.] Bert Acrea, who was most active in both CAP and our county civil defense unit. And we flew out over the area and scouted it out, but never did find anything. The Fernley auxiliary landing strip, or emergency landing strip, was operating at that time, and it wasn't paved. It was just gooey sand, about six inches deep. And Bert and I were the last ones to take off. And several planes had taken off ahead of us, taking off from east to west. And the airport was fenced. And by the time it came our turn to take off, what was supposed to be the runway was just a plowed up stretch of sand—well, in Bert's little plane, we had an awful time. We made one run and got halfway down the runway and saw we weren't going to have flying speed by the time we got to the fence, so we went back and made another run, and we made it! But boy, we could see how frequently the birds sat on those fence posts as we came out, I'll tell you! We didn't skim that fence by more than two inches, I'm sure.

Another funny thing about that was one of my first experiences in a private plane, with someone else flying, and we were coming back from Fernley, flying very low, and there was a strong west wind blowing, so strong, in fact, that when we were about over Derby Dam, we were standing still. Our air speed indicated that we had flying speed. But the wind was blowing so hard that the cars on the highway were making better time than we were. Our air speed was probably, maybe, ninety or ninety-five miles an hour, but our ground speed was zero. [Laughing] I'm not too sure we weren't losing ground. But it was an experience I'll never forget, which,

of course, was attributable to the job as the chairman of the civil defense organization.

The only other thrill I had was one that the entire community experienced. And I can't think what year it was, but it had to've been about '52, probably. But this wouldn't be hard to determine. My wife and I'd been out somewhere, and it seems to me it was a Saturday night, and we got home close to midnight. And it was relatively clear. We retired. And in those days they had a big, long extension on the telephone, and I got so many calls at home that I'd taken it out of the little hallway next to the entrance door and taken it in by the bed. And the phone rang at six o'clock next morning, and a very familiar voice, which I didn't immediately recognize, said, "Les, you better get your civil defense force organized because we're going to be in real trouble."

And I said, "Well, what's it all about?"

He says, "Well, have you looked out?"

And I said, "No." And I drug the phone over to the front door and looked out, and we had more than thirty inches of snow on the front lawn which had fallen since midnight.

The caller that morning was Frank Tracy, president of Sierra Pacific Power Company, and his concern was that one line over the summit had gone down because of the weight of the snow, and he anticipated that the other line would go just momentarily. And his concern with us was that most of the places that needed emergency power didn't have their own in those days, so we had created a pool. We knew where to turn for standby power equipment. We had men designated that would pick up the equipment and take it to the hospitals, St. Mary's and Washoe General, and other places where they felt it was necessary.

So we did that, even at six o'clock in the morning. I alerted my gang, and we were

able to get emergency equipment to both hospitals. It wasn't necessary, really, except on an intermittent basis. But the important thing of that was the surprise element of looking out and seeing thirty to thirty-six inches of snow. Why, the town was just pretty near—I should remember that year for sure, but I don't. We were just—well, snowbound. I couldn't get out, and you don't drive through thirty inches of snow. Even the cabs couldn't operate, and it was a matter of days before we got squared around. We were living on Walker Avenue, so I know it had to be about '52.

Here again, even though that was a lot of work (the civil defense organization), it gave me contacts with people that, normally, I didn't rub shoulders with. And I did enjoy it 'cause I have always enjoyed meeting people.

[In summary of these organizations], well, I've always thought that Reno probably was the most overorganized city in the country. But it does seem that, with all the organizations we have, every one of them does some good. And certainly, my connection with all of them was very, very favorable. You do, on occasion, though—any individual gets to a position where there just isn't time enough to serve on all of them, or with all of them. So you have to, from time to time, take a real good look and weed out the ones you feel most beneficial to you, or the ones where you can do the most good, and drop some of the others. And, of course, this, I'm sure, is everybody's history that's been active in public life.

MY WORK WITH THE HAROLDS CLUB ORGANIZATION, 1952-1965

THE PONY EXPRESS LODGE AND HAROLDS CLUB, 1952-1957

In 1952, I resided at 522 Walker Avenue, and Raymond I. Smith lived right around the corner, on Gordon Avenue. The twins had been born by then, and it was not uncommon for Raymond I. to come by our place, taking the twins out for a walk in his Bermuda shorts, nothing else. Not very many people wore Bermuda shorts in those days around Reno, and he was hairy as a bear, and was very gray. So it was really a sight to see him comin' down the street with these two twins. But he thought the world of 'em and spent many hours just walking them around. We spent an awful lot of time in our yard, and as a result, we were in almost daily contact with Pappy.

And one day we had been out to Paradise Park when it was the forerunner of Paradise Park. It was owned then by Roger Teglia. But there were some ponds there, and some fish in the ponds, catfish, mainly, and we had permission to fish there. In going over there one day, or coming back, I noticed the

construction of the Pony Express Motel on the corner of what is now Rancho Drive and Prater Way. I knew that they had bought the existing motel there. Harolds Club had bought the old Cremer Motel, but I didn't know, actually, what was going on. It appeared that they might be building as many as a hundred rooms. Next time we met I congratulated Pappy on the appearance of the place, and said there was certainly a need for such a thing, because it was, actually, the first of the modern, up-to-the-minute motor hotels in the area. And in passing, I might say that, as a result of his having had the foresight to go into that business, many, many people thought, "Well, if it's good enough for Raymond I. Smith, it's good enough for me." So, really, it was the starter of the nice bunch of motor lodges that we currently have. But anyhow, in talking with him about the motel, I told him it was a great business, that I had built one at Lovelock, and later owned it, and sold it in '44, and he was all interested, wanted to know what I knew about the motel business.

Well, he had previously bought the old Moana Motel, on the corner of Moana and South Virginia, as a personal investment, and then operated it for a year, was satisfied with the return on his investment, but was never satisfied with the management out there in Sparks. He had bought the place from a gentleman by the name of [H. C.] Hall, and he said that it was going to break him in business if he didn't get a good manager out there because the job was let on a cost plus basis, with Joe Mastroianni as the general contractor. He in turn had subcontractors in every field—plumbing, wiring, roofing, tile, all the others. And Pappy told me that he just didn't know where he was going, that they had set out to spend \$500,000 out there, and it looked like they'd be stuck closer to a million, just because they had no control and no supervision.

So I brushed the thing off. I assured him that I would look around. There must be some competent people who'd be interested. I certainly didn't even give it a thought. And in a few days, I got a call from him. We were only a block and a half apart. I was in No. 8 in the Arcade Building, and Pappy was at his office which in those days, was in Harolds Club proper. And he called me over there, and we had a little chat. He asked if I would be interested in taking over the management, and I told him no, that after four years, pretty near five years in the insurance business, having made Top Club every year, we were doing very well financially, and that the thing that bothered me more than anything else about even considering it, although I would like to operate that kind of an establishment, facility, is that there's only one way you can run that kind of a place, and that's to live there. And he assured me that they would have the finest manager's apartment that money could buy, and that if I would take it, I could select

the furniture (my wife could). He gave me quite a sales talk, but the answer was "no." Later, I had a call from Guy Lent, who was assistant manager of Harolds Club, and with whom I'd become quite well acquainted. During the previous year, I had been able to secure some life insurance for Guy. He had been without life insurance since during the Depression days. Because of financial reverses, he had to drop his insurance, and he had a little heart condition which he felt precluded him from getting insurance. Well, after explaining to him that policies on underwriting had changed radically since then, and that I would be happy to attempt to get him some coverage, and I was able to get him what coverage he wanted at standard rates, he was very grateful. And as a result of that, we became quite friendly.

So he called me one day and wanted me to come over to his office. He told me that this was probably as golden an opportunity as I had ever had presented to me, for the reason that Mr. Smith had great ideas, that this was only the first of a series, a chain of Pony Express Motels. He didn't know how far the chain would go, but he had every reason to believe that there would be at least two in each direction out of Reno, on both 95, 395, 40, 50, and that this could really lead into a well-paying job.

So I gave the proposition some thought and talked to my wife about it. As was par for the course, she said, "Whatever you do, Honey, is all right." So I hadn't given them an answer when I had a call one day from Pappy Smith. And he asked me if I would meet him at the old Reno Garage, where he had his car parked. And I said, "Sure." It was just around the corner from us. So I met him there, he had his little green Buick coupe parked out front, and it was immaculately clean. When I got in, first, he said, "Get in, I want to take you for a

little ride." And when I got in, I said, "Pappy, your car looks nice. You really keep it up."

And he said, "Well, I always like a clean car and a clean shave," and that's something I've never forgotten.

So, as soon as I got in the car, he started talking (he wasn't the world's best driver), but he headed out toward our place, and he said, "Les, I want to go out and talk to your wife." He said, "I realize that you don't want to give up that home." And I had given both Guy and Mr. Smith the real reasons, that the home was about as much of a deterrent as anything in making up my mind, and that we couldn't bring ourselves to leasing it, and we didn't want to sell it, and yet we couldn't afford to just move out and let it sit there. Even though he'd been around the house many times, and even in the front and back yard, I don't think he'd ever been inside. But we parked in front and went in, and he looked the house over, and he finally said to Frances, "Well, I don't blame you for not wanting to give up this home, but I'll be willing to make it worth your while. If you'll let Les come out and go to work for us, I'll put you on the payroll, too. And as long as he's there, you'll be on the payroll with the understanding that you don't do one single thing. This is in payment for leaving your nice little home here, and we'll fix up the apartment."

And she didn't know what to say, of course, so she said, "Well, can we think it over, overnight?" Well, this was along about May twenty-seventh or twenty-eighth of '52, I guess.

So we talked about it, and the proposition he'd made me, which was a decent salary, plus a percentage of gross room rentals, and that day, added to it by giving me five percent of the net profit, in addition to having put Frances on the payroll. There was an advantage to that, because Fran, although she'd worked, it was

prior to the days of Social Security, and she didn't have her own Social Security coverage. Of course, she would have the benefits of mine; I had been under Social Security since its inception. But there were many advantages, that being one of them, the fact that she would be on the payroll and get in her ten quarters of Social Security coverage, which might be valuable someday, too.

So Pappy left, with almost a plea that we consider it in the affirmative, and told both of us how much it was costing him, that he just didn't have the supervision, he didn't have the time to go out there himself, he didn't know anything about the construction business or the motel business. So anyhow, the next morning, we had about half decided that if he'd give us a reasonable time to sell the home that we might consider it. So I called him and told him that we were thinking about accepting, and that we'd like a little time to get our affairs arranged, and asked him how soon he wanted me to work. And his answer was that he wanted me to go to work June first. By this time, it was about the twenty-ninth of May.

So I went out there on June first, took the job, turned the insurance business over to my brother, and went out, but only after having talked to a lot of close friends. Ray and Mildred Smith, with whom we shared office space, were very close friends, socially as well as being associated in business. And I asked them what they thought about going to work for Harolds Club. Well, I couldn't find anybody who objected to it. I asked Carl Friesen, I asked many of my closest friends. They said, "What's wrong with it? It's a legitimate business. There's nothing wrong with it."

So I did go out on June 1, 1952. And what I found would certainly open your eyes! The first day on the job, I found three carpenters

working on two little thingamajigs out in back of the north wing. And I went out and introduced myself. Pappy had gone out with me originally, and, of course, had introduced me to Joe Mastrianni, the general contractor, but I hadn't met the help. But I introduced myself and asked them what they were doing. And they said they were building a couple of doghouses for a couple of floor bosses down at the club. And this is only typical of the things that were going on. The plumbers'd bring in, or had brought in, a load of pipe or supplies, and the carpenters'd take it home. The carpenters'd order a bunch of supplies, and the plumbers'd take it home. And the electricians would order supplies, and somebody else'd take them home. So it was just a continual round of thievery, and it was no wonder that it was costing a lot of money.

Then I also found out that the gentleman who'd been there, this gentleman from whom they bought the place, had let it be known generally amongst the suppliers, that, "You're dealing with Harolds Club, so you don't have to get the pencil out. Charge whatever you have to and a little bit more." So it took a week or so to get all of these conditions corrected to a point where all of the purchasing was going through me. If they needed something, they came to me, and I gave them an order to order it. And then we kept score. It's kinda silly to buy two hundred shower heads for a hundred showers. And things of this nature were going on. Well, anyhow, after about a week, things shaped up very, very well.

The manager's apartment had not been completed because there were living quarters across the court where Mr. Hall and his family lived. And it was not possible to just move them out overnight. Mr. Smith gave them, I think, thirty days to move. At that time Pappy also had a tremendously large trailer court next door, where many of the boys

from Stead Air Base were living. Pappy had a deal where they could rent those trailers for about thirty dollars a month, and they were rather expensive trailers, the best you could buy in those days. And then if the servicemen wanted to buy them after a period of time, why, every nickel they paid as rent went toward the purchase price. And Pappy always felt this was one of his contributions to the war effort. The son-in-law of Mr. Hall managed the trailer court. And at the same time, Mr. Smith desired to make a change there, so the two families, between them, were permitted to stay until they'd found suitable quarters. So in the meantime, we continued to live at 522 Walker, and I drove back and forth to work every day.

The actual planning for the motel, the interiors, was done by Raymond I.'s wife, Mrs. Raymond I. Smith. And she was there daily, and she had her own definite ideas about [how] things were supposed to be. And really, although it was a little embarrassing and uncomfortable at times because we'd decide on one thing and then it would be changed without my knowledge (and we had several arguments—discussions, rather—but we got along fine), it did take quite a load off my shoulders, having her take care of the drapes and the carpets, and she bought all of the furniture.

So things went very well after the first few weeks. There was a little animosity between the general contractor and myself because he didn't think I knew anything about the construction business. I didn't know a great deal, but here's where my experience as a carpenter's helper in Lovelock did pay off. I at least knew the fundamentals of construction. So on about June fifteenth, we had, I think, ten rooms open for occupancy. And we had them all rented. It was a fairly early season that year. Traffic started early (and we being,

of course, the newest and finest motel in the country, everyone was pulling for us), so it took no time at all to fill what few rooms we had. But that was a very unusual June. On June fifteenth of '52, I had to, after dark, get one of our local suppliers out of bed to bring me down a dozen electric blankets. Almost magically, the wind had come up out of the north, it was blowing a pretty good gale, and the temperature dropped down into the forties, to the point where, without heat, naturally, everybody was about to move out.

Well, all of the new construction was to be electric heat. And naturally, it was the last thing to go in because we had summer coming on. The old part of the motel was on a steam plant, and that boiler was in a thousand different pieces being completely overhauled, and we just had no heat at all. So we did buy the electric blankets and kept everybody happy in the place.

It was quite a story in getting rid of those when we did, in the fall, get the heat turned on and no longer had a need for the electric blankets. Pappy sold them to various employees. And how you got on that list, I don't know, but with, I think, twelve electric blankets—some twin size and some just regular doubles—and at that time we must have had four or five, maybe six hundred employees, and, of course, every one of 'em that knew about it wanted one of those electric blankets at cost. And this kept me busy for a matter of days, explaining to three or four hundred people who didn't get blankets and wanted 'em that we just didn't [laughing] have any more, and we weren't about to buy any more just to keep 'em happy.

But the rest of the construction went very smoothly. We put in a swimming pool. It was one of the first in the area, other than commercial pools. And actually, by fall of that year, we were completely open and held an

open house, at which Mr. Smith gave a little speech and we gave away some souvenirs, and we were actually in business.

About this same time, because of parking conditions downtown, Mr. Smith said one day to Guy and I (we happened to be out to dinner), "Why don't we put on some buses between the lodge and the club?" And we kicked it around the next day and thought it was a good idea. So we proceeded with the Public Service Commission to get a certificate of public convenience and necessity to operate buses and ordered the buses.

Naturally, the cab companies and everyone interested in transportation—seems to me even the railroads were in it—they were so skeptical of anyone going into the transportation business because it was competition in one way or another to some of 'em or all of 'em. But after two or three months of bickering, we finally were successful in securing a certificate of public convenience and necessity *for use only* between the Pony Express Lodge and the main entrance to Harolds Club. Fortunately, in the interim, Mr. Lent had made arrangements for the parking area in front of the club. And we started the bus service on an eighteen-hour-a-day basis. We started them at about tour in the afternoon, and we ran them until, as I remember, eight the next morning, to start with, and then ran them early mornings for a couple hours, too, from seven to nine, or eight to ten, some such a manner. That didn't prove out, and we finally went to a regular schedule of twelve hours, leaving the Pony Express on the hour, and leaving from the front of Harolds Club on the half-hour.

This bus service was a tremendous thing to the motel, not so much right then, when we were brand new, because we did have the finest, nicest, newest place in the valley. But competition sprang up rapidly. And many of

our old customers, who had been accustomed to staying downtown within walking distance, when the new motels started going in, were coming back downtown. However, with the addition of the bus service, and having it on a regular schedule so they *knew* they had transportation, it was a great thing for the lodge.

It was no problem at all to have an occupancy during the spring, summer, and fall months of a hundred and two or three or four percent. Now, that might sound funny, but in those days, the highways weren't quite as good as they are now, and neither were the cars. And it was surprising the number of people that had been forewarned about this terrific desert between here and Salt Lake, and they would drive at night and sleep in the daytime. So many days, you'd have a chance to rent rooms two times. And I recall Pappy asking me one time how in the hell can you have more than a hundred percent occupancy. And I had quite a time explaining that thing, just how it worked.

That occupancy continued on up until, oh, '56, possibly, the first four or five years. But then with more and more downtown motels, the occupancy did drop off, particularly in the wintertime. But it was still a very profitable business for Harolds Club. It was a profitable operation for me as well. Pappy wanted the best rooms in town with the lowest price, so we started renting those rooms at five dollars for a double, two persons. I showed him mathematically that we couldn't rent a room for less than six dollars and twenty cents a day. By the time you figured the water, lights, heat, telephone, maid service, laundry, and all the taxes and all the other things that had to be considered, our actual cost per unit was six dollars and twenty cents. So he raised the price to seven dollars, and we made good money because of depreciation right off,

primarily. We made very good money. Then we later went to eight and nine dollars, the same as other places, and we always made a good profit from the operation.

They were happy with it, and, of course, I was happy. However, I'd gone in there with at least the supposition that there would be other motels built, and that someday, I would probably be sitting in an office just directing the operation of several motel managers. Well, this never came to pass, primarily because Mr. Smith felt that it was necessary to expand the club, and they'd been able to buy the building where the seven-story addition was later built. The seven-story addition was built along the same pattern as the Pony Express Lodge. It was on a cost-plus contract, and it started out with the contract being held by a partnership, which consisted of Guy Lent and Joe Mastroianni, the contractor who had built the lodge. There was so much dissension amongst other contractors, and the backbiting that went on, and the problems that arose as a result of that partnership were just unbearable for Mr. Lent. So he finally sold out to Mastroianni and got completely out of the construction business. But here again, an addition that was supposed to've cost, oh, possibly \$300,000 was going to cost in excess of a million dollars. Now, no other business other than the gambling business could stand this kind of a thing. But that's the way it happened, and when it was finished, it cost at least two and a half or three times what it was originally intended to cost. As a result, they were unable to fulfill a promise to me, which was that, as soon as we were through the first year at the lodge, that they would build another hundred units.

Well, this [promise had] made my job even more attractive than any other one thing, even the addition of other motels to the chain, because with the addition of every room, my

income went up because of the agreement I had with them. Well, after about three or four years, they found that they simply could not finance additional rooms down there as they were not people to borrow funds. Even though the left-handed promise was constantly made, that someday we will put additional rooms out there, if there was a bone of contention in the entire arrangements with Harolds Club, that was it, that there had been a promise. The matter of a chain of motels had only been a dream, and I was willing to dream along with them on that. But with the additional hundred rooms in the Pony Express Lodge, it would've given me an income of somewhere between \$25,- and \$30,000 a year, and this was what I was shooting for, and this was what I went out there for, because that was a lot of money to make in the insurance business. Actually, when I went to work out there, Mr. Smith gave me an arrangement which just about equalled, slightly bettered the income that I was making in the insurance business, and the bait was the additional hundred rooms, really, together with the additional salary for my wife.

So in 19—oh, about '56, I would think—as I remember, Mr. Lent and I became very close friends because he was, in the intervening years, between '52 and '56, my immediate superior. As assistant general manager of the club, he was the one to whom I looked for any and all advice in regard to the motel. And he knew that I was very unhappy, but he also knew that there was just no way that the club was going to expand that motel because they were against borrowing money. And actually, when they had completed the seven-story addition and a few other things, such as the pigeonhole parking garage, which they'd built—but on a lease basis with the Southern Pacific Railroad—they had been in pretty tight financial straits. And Mr. Lent knew more about that because he handled

their finances. He knew more about that than anybody. And he assured me that there was probably very, very little chance that they could in the foreseeable future expand the motel.

Well, in the meantime, I had had no raises. I had had a very beautiful Christmas bonus each year. They were very generous, not only to me, but to all of their employees. A bonus of five thousand dollars at Christmastime was not unusual. And that didn't only go for me, but it went for, oh, many of the top people at the club. In fact, in all the years I was there, as long as Raymond I. was there, there wasn't a bartender there that didn't get a thousand dollars at Christmastime, and my Christmas bonus was never under \$5,000.

But anyhow, the outlook for salary advancement wasn't too good at the lodge, and so Guy asked me one time if I would consider coming into the club as his assistant. Well, actually, he was assistant general manager, but he also took care of all of the public relations work of the club, and did a masterful job. And he offered me the opportunity of coming into the club and taking over their public relations work. Even though I had been working for the club for five years, I had only been remotely connected with the club operation itself. We had sixteen slot machines in the lobby of the motel, and I knew the workings of a slot machine, but I had known that from my Lovelock days. The actual operation of the goings-on in the casino were somewhat foreign to me, other than I'd been around them all my life. But the detailed operations were something I had to learn.

So I asked for maybe thirty days or more of vacation time, which I had coming. I had taken five days of vacation in that five-year period, working always fourteen, sixteen hours a day. And Guy said "no," they wanted me in now, and said, "What do you want the

time off for? You'll be on a five-day week. You'll have time to rest up now. You'll have Saturdays and Sundays off" (which was quite an inducement, too).

And I said, well, I couldn't continue to live at the lodge under those circumstances, and I'd want to make arrangements to either buy or build a home, and he told me no, he would prefer that I stayed right there and take some of the load off of him, that I would be there in an advisory capacity, and my son, who had been with me since August of '52, could take over as manager on the same deal I had.

That sounded all right, although I didn't know 'til a long time later that my wife wasn't very happy with that arrangement. She missed her home. She particularly missed her yard, and she had a green thumb; she could put a toothpick in the ground, and it'd grow. But she never said anything about it, and we stayed right on there, in exactly that, a supervisory capacity, and maybe helped somewhat with the buying. But my son had been there long enough that he could make most of the decisions himself. Policy decisions or major financial expenditures were always cleared with me.

So I believe January first of '57, I moved into the office at Harolds Club. The offices had been moved during the interim, when the seven-story addition was being added to the club. They'd moved temporarily into the old Mapes Building across the alley, and they had found plenty of use for every bit of added square footage there that was in the new addition, so the offices never did get moved back. And I was assigned an office on the third floor.

I operated the Pony Express Lodge, as it became to be known after a few months of operation (it was changed from Pony Express Motel to Pony Express Lodge). And the contrast between my former experience

in the auto court business at Lovelock and the operation of a super deluxe motor lodge such as the Pony Express is probably worthy of some comment.

When competition began to pick up downtown and so many motels built within walking distance of the downtown area, it was necessary for us to do something to improve business, to attract business to the Pony Express. We did many, many things. For a number of years—maybe starting in '53 or '4, and continuing for maybe as many as ten years—we had a program which we called the "Bright Lights Tours," in which we used to bring in, oh, at least forty or fifty thousand people, and more during some years, on an arrangement where the motel room, the ground transportation while here on our limousines was provided, meals and drinks at the club. In those days, we didn't go into free chips at all.

But there were many programs such as that one. We had a special program for airline people, we had a special program for a while for people driving their cars, where they were reimbursed. We had one program which we called the "Smith Club." And the Smith Club, the rules were very simple. All the driver of the car had to do is let us know that he was coming. And when he came into the club, he went to a desk that was assigned for that purpose and picked up a certificate that was worth from five to ten dollars. Values changed from time to time, but this would permit them also maybe a free meal. And then they were encouraged to stay at the lodge. Room rental was not included in the package.

But Pappy was famous for those things. His mind was working twenty-four hours a day, I think even when he slept. Because you'd just barely get one program started when he'd come up with what he thought was a better idea. And one thing I have to

say for him over the years [is] that not all of his ideas were workable, but if he got off on a tangent, he was the first one to know it. I never knew a man who could do a hundred and eighty-degree turn as rapidly as he could. He was full of ideas, all of them good to some degree, but some of them simply just wouldn't make money.

For instance, he had a little slip printed that he called an "It's-A-Bet." And these "It's-A-Bet" slips were handed out promiscuously up and down the West Coast. He had outside people out handing them out. Pappy would attend service club meetings and make talks and hand them out. And they were in various amounts, from five to a hundred dollars. And at one time, in a period of, oh, maybe sixty days, we had distributed in excess of \$350,000 worth of those "It's-A-Bets," primarily in the Bay area, but as far north as Portland and Seattle. (We had started way back then doing promotional work up in that area.) And these "It's-A-Bets" were just brought in and laid on the table, and they were considered a bet, just the same as if it was cash. Of course, if the customer lost, he hadn't lost anything. If he won, he was paid off in chips, silver, whatever he desired.

We did work very closely with the chamber of commerce locally. However, in those days, the chamber was just getting started in the package trip business, and most of our promotional ideas were our own, that were shared with no one. We opened an office in San Francisco, one of the first clubs to do that. That was tremendously successful because it was right on "Airline Row," on Post Street, just above the United Air Lines office, and later, many other airlines located on that street, in the same block. So the success of the lodge, as well as the success of Harolds Club, didn't just happen. It happened because Pappy, primarily, was working every minute

on new ideas to bring more people—and more importantly, when they got to Reno, to bring them into Harolds Club, or the "big bonanza," as he called it.

One of the problems that he had, and that everyone has, in the handling of promotions involving people, groups of people, or even individuals is how to keep them in your place of business after you've once brought them here. Reno, being so compact in its business area downtown, I think it's customary for the average visitor to feel that he hasn't been to Reno unless he's visited all of the clubs and casinos and hotels. And we tried every kind of an arrangement that you could think of, through giving them tickets at the lodge, good at Harolds Club, that would be good for hourly drawings, that started at five dollars an hour. If you were present and a number was drawn, you were given five dollars. We tried using chips (which were never handed out at the lodge, but we'd give them a certificate and they'd go in and pick up some free chips), playable only in Harolds Club and not redeemable for cash, and many, many other similar ideas.

Mr. Smith's long suit was advertising. And he put on quite an extensive advertising campaign for the lodge when it opened, with signs in all four major highways, all four directions out of Reno. And he bought nothing but the best. They were baked enamel signs that were good for from eight to ten years without any maintenance at all, other than the patching up of bullet holes, which was a full-time job for a road crew. We had at one time two road crews, one operating west of the Mississippi, and one operating east of the Mississippi. And the old slogan of "Harolds Club or Bust" probably had more to do with the success of not only the club, but the motel operation, too, because it was closely tied in. And every highway sign had

the picture of the Pony Express rider on it, which tied in—beautifully, too—with the makeup of Harolds Club.

It was during these years that I was at the Lodge that Harolds Club purchased the entire collection of Mr. Stagg, which was located on Lake Street on the Mapes property. And after purchasing it, Mr. Smith installed it on the second and part of the third floor of the old Harolds Club, before the seven-story addition was built. It became quite well known throughout the country as a point of interest to visit. We had special booklets describing many of the guns and other relics that were there, and they were handed out at the lodge, and handed out, also, at the San Francisco office. And that, too, brought a tremendous number of people to the motel, as well as to the club.

Another thing that helped tremendously was the good will that Mr. Smith had built over the years. And in many cases, I think much, much of the credit of that must go to Guy Lent. Guy was a businessman in the true sense of the word; the Smiths were not. The Smiths would probably never have been successful in any other business other than gaming or the kinds of concession businesses that they had been in. They were extroverts, and certainly promoters, but not really good businessmen. But Guy Lent was. And as a result, [they made] many, many contributions to the state of Nevada and its people, starting with the scholarship contract arrangement which they had, in which they would provide a fully paid four-year scholarship to one member of the graduating class of each high school in the state. And when it started out, I think there were only seventeen, but there might've been nineteen. This became a tremendously expensive program, because it started out with one student per high school. However, the four thousand dollars, a thousand dollars

a year for four years, was set up and allocated to that student's account then and there. So the first year, if it were seventeen that were selected, there was a matter of \$68,000 that had to be set aside. But the next year, you had a new batch, and that group continued to grow every year, so that actually, over the period of time that the program ran, the Smith family spent almost a million dollars in educating the high school graduates to whom this program was made available.

So it was with great reluctance in 1955 that Mr. Smith discontinued that program. And his reason for discontinuing it was very simple. The legislature had enacted the first tax on the gross winnings of a casino. Now, there's much misunderstanding about what the gross winnings are. This is not the money that the operators make and get to keep. On the contrary, it's the amount of money that is played by the customer, less any winnings that might have been paid out. There's no provision whatsoever for deduction of any expenses, not any.

So, with the enactment of that legislation, Mr. Smith felt that he simply could not keep the scholarship program, and it was discontinued. However, he did permit every one of the students who had been enrolled in the program to complete their college education on the scholarship if they cared to do so. There were some dropouts, but very, very few. And he did see the program through to completion. He had regrets, later, that he had ever stopped it. However, it wasn't very long until the gross tax was increased again, and he was just afraid to take on something that he couldn't finance. He had a fear of borrowing money. I don't think he ever borrowed any money that amounted to anything in his life unless he could see an absolute, positive way of paying it back. So for this reason, just the fear that he might find

himself sometime in a financial bind, we never could get him to reinstitute that program.

I think some of the programs that he instituted and tried back in those days, of promotional nature, which were designed, of course, to build business for the club, but also for the Pony Express, were the very basis for most of the plans that are now in effect in the area. Hardly did he ever try a new scheme or promotion—whether it would be a within-the-club promotion, or a drawing, or some special event—that it wasn't picked up by Bill Harrah. And I've heard Bill brag about it, that he owed his success to Raymond I. Smith because all he ever did was copy Raymond I. Smith's ideas, only he did 'em better, discarding the bad ones and using only the good ones. And I'm sure that, today, Mr. Harrah would make that same statement. Mr. Smith was an idea man, no question about it, and he kept everybody around him busy, thinking, because it was not uncommon to have the phone ring at three or four o'clock in the morning to run by you some kind of an idea that he'd either dreamed up or thought up during the night.

It's unfortunate that the chain of motels did not develop, because it would've served many purposes. Number one, it would [have] been a great thing for Harolds Club itself, but it would've been a great thing for the area, too, because they would've become promotional outlets for Reno, as well as providing decent housing at reasonable rates.

We might talk a little bit about the customers of Harolds Club that were actually inherited by the Pony Express Lodge. Many of them were very wealthy professional people—doctors, dentists, insurance people. And we maintained what we called a "comp list" for them, which was provided by Mr. Smith or Mr. Lent or with Mr. Lent's assistance, and sometimes the casino managers were

permitted to add to that list, too. So whenever any of these people came to town, they were given free lodging at the motel.

Now, this made no difference to the motel, and it doesn't in the average casino motel or hotel operation. It makes no difference to the hotel or motel operator or the operation itself whether they're comped, or whether they pay cash, because the cost of the room, the cost of the facility, is generally absorbed by the casino portion of the hotel, if it should be in a hotel. In our case, even though the rooms were comped, we charged them to Harolds Club, and we received our weekly check from 'em, just the same as if they'd been cash customers.

We didn't have any experience with "high rollers." There were a few high rollers, but Reno has never been a high roller town. Reno has been what they call in the trade a "grind" area—in other words, you grind out the nickels, dimes, and quarters. We had a few high rollers. Some of them stayed at the lodge, but not very many. A high roller, the fellow that everyone looks for but very seldom sees, is more of a hotel man. He travels by air, generally, and he lives in the best hotel, and generally is a man of quite some means, and not a motel or motor hotel personage.

We didn't have very many of them stay at the lodge. That wasn't the kind of people Harolds Club catered to, really, and neither did they want us to think that the people that they sent out there were any better than anybody else. They had a hard-and-fast rule that *every* customer was to be treated exactly alike, no matter whether he was driving a Ford or a Cadillac, no matter if he came in in overalls or came in the club in a tuxedo, or in the lodge. He was to be treated exactly the same. I don't think anyone in business has ever had the ability to instill the actual need for friendliness on the part of an employee toward a customer like Pappy Smith could.

And he didn't do it with words too much; he did it with deeds. He used to come out and stand around the lobby of the lodge and chat with people. He was a great conversationalist. He could talk on anything, from world affairs to—well, almost anything but the gambling business. He talked very little about that. But he was a natural-born public relations man.

And I would say that, with two or three exceptions—I think of one, for instance, the Sahati brothers, that had the club on the south shore [Tahoe], were high rollers. Naturally, the club liked to see them come in. But when you get into the high roller business, they play to win, and there's always a chance of losing, as well as a chance of winning. However, the Sahati boys during one period of time had a real bad stretch of bum luck, to the point where, at one point, the Smith family held markers of sufficient quantity and in sufficient size that Eddie Sahati agreed to give them his club at South Tahoe in exchange for the markers that they held in the safe.

There was a difference of opinion in the family. Harold Smith, Sr., wanted very much to take advantage of that offer, and Raymond I. didn't. And this was understandable because all of the leg work, all of the promotion, all of the policy making of the club was left in the hands of Raymond I., and he just had all the job any one man could handle adequately without branching out. They turned the proposition down, and Bill Harrah later bought it, and that's now the site of Harrah's Tahoe.

If there was one thing that distinguished the operation of the club and the casino over and above anything else, it certainly was the big-heartedness of Mr. Smith. As long as I was associated with them, up until the last few years, when Internal Revenue and others made it impossible to carry out the policy, it wasn't uncommon for Mr. Smith personally to make refunds to customers in

amounts that were almost staggering. For instance, \$350,000 in one particular year was refunded to people who had spent the grocery money or money that was intended for a car payment, or something of that nature. And it was common knowledge around the club that if anyone found themselves in that position or predicament, they were to be sent to Mr. Smith. I have no idea of how much of that money was actually stolen from the Smith family, in that, many times, they would say they owed Sears-Roebuck a thirty-five-dollar payment, and Mr. Smith'd say, "All right, we'll send 'em a check."

The check would be sent to Sears-Roebuck, all right, but the person would go over and collect the money because he didn't owe them anything. Or if the check were given to him, he'd take it over and cash it. So in many, many cases, he was being hoodwinked and fooled. But that didn't keep him from maintaining that policy. And, I guess it probably was the only business in the world—Harolds Club—that had signs around the club, as long as the Smith family was there, "please do not gamble more than you can afford to risk." And those signs meant exactly what they said.

One occasion—while we're on this subject—a young lieutenant came into the club one day, and he was almost frantic, and he told someone of his problems, and they said, "Well, you should see Mr. Smith." Mr. Smith called me in on this particular interview. And the young man had been in charge of the commissary at Stead Air Base. And he had gambled away \$2,500 of Stead Air Base money. Mr. Smith said, amongst other things, "Well, have you a family?" Yes, he was a family man with a couple of children. And he asked him what could happen if this became known to the officials out there, and he said, well, he would undoubtedly be busted to a private and given a dishonorable discharge.

So Pappy investigated around the club and found that the man had been in there (he was in uniform), and that he had gambled. So Mr. Smith asked him if he had spent all of the money at Harolds Club, and he said, Lord no, he'd been in every club and casino and hotel in town, and tried 'em all, and he just didn't have any luck anyplace.

But despite that fact, and without any way of knowing how much money that lieutenant had lost in Harolds Club, Mr. Smith reimbursed him the full \$2,500, keeping him, of course, from a dishonorable discharge and being disgraced, but with the understanding that he would never gamble again as long as he lived. Of course, we have no way of knowing whether he kept that promise. But that shows the character of Raymond I. Smith, because this was only one of many, many similar instances.

There were many trying days out at the lodge with some of the good and regular customers, for the reason that some of them were up every weekend, some of them came and stayed a week. But they were primarily customers of Harolds Club, and as such, they were, in most cases, real close friends of either Mr. Smith or Harold, Sr. And this made them awful difficult to get along with. They expected things that were absolutely not obtainable in an operation of that kind. We didn't have a restaurant, we didn't have a bar (there were restaurants and bars across the street), and these people expected regular hotel service, just because they were friends of Pappy's, even though they were being comped and not paying anything for the room. In some cases, they were unreasonable. They would demand that a particular room be made available to them. Well, this is almost impossible in *any* kind of a lodging facility. But because they were close friends, and because the customer was always right in

Pappy's estimation, no matter what, it was necessary to do some very unusual things to keep them completely happy.

We had, without mentioning names, a doctor and his wife who were just overbearing, but they were excellent customers. And they got the room they wanted whenever they came to town, even if it meant moving someone from that room to another room. We never kicked anyone out, fortunately, but on some occasions, did have to move people because that was *their* room, and this, probably, was one of the most aggravating situations that we had to live with. And yet, we had to live with it because they were very close friends of the family, and that meant that they could do no harm, and that we had to cater to their every whim.

We had people come from the Bay area, particularly on the tours, that in some cases would never leave the motel. We had sixteen slot machines there in the lodge in the lobby, and they'd spend all their time right there, all the time they were in town. The slot machines were exact duplicates of the machines on the floor at Harolds Club and were very generous. They had a real good run for their money. But some of them would spend as much as Friday, Saturday, and Sunday right there, around the lobby, just playing the machine, sometimes winning and sometimes losing.

Some of the guests sent us by the club would also become quite hard to handle, particularly if they were losing, or if they had lost. We had our own blankets with the Harolds Pony Express imprint on them. And it was not uncommon for them to take a blanket or a couple blankets and pillows, or even a TV—or a radio set (we didn't have TV's when we first opened the lodge). And never would Mr. Smith permit us to turn the law on them, or make any endeavor whatsoever to catch up with them and have the property

returned. That was one of the evils of doing business. But, of course, it did run up the overhead, and those losses all came out of the net profit.

He never felt that way on personal checks. He always felt that if we accepted a check, we had done so in good faith, and that we could use all legal means to collect checks or unpaid bills. And we had quite a number of skips. That was another favorite trick they had, because we were connected with Harolds Club, that they'd stay two or three days or a week and run up quite a bill, and they had lost money at the club, well, they just felt they didn't have to pay. And in most cases, it wasn't a matter of fictitious names or phony addresses. It was just purely and simply that they had lost at the club, so why should they bother to pay us. The club came out all right anyway.

OPERATIONS AT HAROLDS CLUB, 1957-1965

On moving into Harolds Club and being assigned an office on the third floor of the office building on Commercial Row, Mr. Lent gave me as my first job a study—or an analysis, I guess I should say—of the highway advertising program. Every sign that the club had was on leased property, and a lease maintained, preferably on a three-year basis. If, in some cases, you couldn't get a three-year lease, you'd settle for a one-year. But every one of them were covered by leases. However, the club had never detailed the exact location of all of the signs. And this became my first job, to go through the leases, pinpoint exactly in an atlas where that sign was located, and mark it, coding the markings so that we'd know exactly what type of sign it was, and also, the card indicated the condition of the sign.

This I did, covering almost all of the forty-eight states. We didn't have signs in the

New England states in those days. They had prohibitions against highway signs. When I finished that survey, we found that we had 2,715 highway signs, by far the largest user of outdoor advertising of anybody in the business, even larger than the companies whose business was nothing but outdoor advertising.

When that was completed, many other small detailed jobs were assigned to me, primarily, I'm sure, to acquaint me with the operations of the office and the club. And I gradually got worked more and more into the public relations end of the business, taking over the operation of the tours and the San Francisco office. We at that time also had a promotion representative in Portland, one in Seattle, and one up near the atomic plant outside of the tri-cities, in Washington. And it was my job to keep those people informed and working, and to supervise the tours.

After a short time on that job, we found the necessity of having an information desk in the club, which was installed and staffed. And they, then, handled all the details of arriving passengers. We had many different kinds of tours. We had promotions involving the bus lines, promotions involving all of the airlines that served Reno, as well as promotions involving people arriving by private car. And this, in itself, supervising these promotions, turned out to be almost a full-time job. As the years went by, I also got into the legislative end of the business and was the liaison between the club and the city council, the county commissioners, the state legislature, or even our own congressional delegates.

When I first went there, in '57, the crew, floor managers, and dealers, as well, were a completely dedicated group of individuals. They felt Pappy could do no harm, and there just wasn't *anything* they wouldn't do for him. He, on the other hand, felt that way,

pretty much, toward his help. And it was not uncommon for someone to be stricken with an illness of long duration and be kept on the payroll. As a matter of fact, there are many persons who were completely incapacitated whose pay was never stopped, even up until the time of Pappy's death, some that had been on the payroll for ten or fifteen years and unable to work. But this, again, only shows his character and his feeling toward his employees.

The club was expanding all the time, and, with the opening of the seventh floor and the restaurant, it presented many, many worries, one of the greatest of which was the public relations worry. Going back just a little bit, a couple of years, to when Harolds Club had opened the pigeon-hole parking garage—in so doing they had antagonized or hurt the feelings of the people in the parking business. But, anyone knowing the actual facts would have to know, have to admit that they didn't go in the parking business at Harolds Club because they wanted to. Somebody had to go in the parking business and make some parking available in that immediate area, and there didn't seem to be anyone else to do it. So Mr. Smith took it upon himself to build the pigeon-hole parking garage, and in so doing antagonized quite a few people.

When he opened the restaurant, it even created a greater problem because many of the surrounding restaurant owners felt that this was *absolutely* unfair, that *no* casino should be in the food business. Attempts were made to even have legislation passed at the local or state level, which never took place because I don't think that there would be any kind of a restriction of that nature that would be constitutional.

But as a result of that restaurant opening, we were faced with the antagonism of almost all of the downtown restaurant operators,

but in particular, two or three, who spent all of their time knocking Harolds Club and condemning Mr. Smith for having gone in the food business. Well, this became my first real grade-A public relations chore. I visited with those people, ate in their restaurants, bought them an occasional drink, reasoned with 'em that Mr. Smith, as had been the case in the parking situation, had gone into the food business against his better judgment, but purely and simply because he *had* to. Prior to this time, the Nevada Club, next door, had gone into the food business, and it was becoming more and more complicated to keep customers in our place. If they felt like a cup of coffee or a sandwich, they left Harolds Club and went into the Nevada Club, and many times didn't come back. And this was an intolerable situation when Mr. Smith tried every way in the world to keep them happy within his club, and to do the things that had to be done to not only make them regular customers, but to *keep* them as regular customers.

This same condition prevailed when Mr. Smith put in the first bar. He despised liquor. He never drank a drop in his life. I can remember on a special occasion—we dedicated the Pony Express Lodge—that he did have a mouthful of champagne on that day of dedication. But other than that, I never saw him take a drink in all the years that I was around him. And he much preferred that none of his employees drank. But here was the situation again. Other casinos in town had bars. If Pappy was to keep his rightful share—and I say rightful, because [in] most cases, he had brought these people to town, or it was because of him they'd come to town. But if they felt like a drink, they'd go next door or across the alley for a drink. So actually, he was driven into the bar business. He was—against his better judgment. And as a matter of fact, I

don't think he ever enjoyed any of the income that he made off of those bars, he so despised liquor. But he was driven into going into them if his place was going to be successful. He was also forced into the parking business because no one else wanted to get into it. He got into the Pony Express Lodge because he felt the need for a modern, up-to-the-minute motel for his customers. And he was likewise driven into the food business.

Well, this did present a great big public relations problem, and one that wasn't immediately solved. However, it was solved eventually, and primarily because of our constant contacts with these fellows and our constant reasoning with them. And after a period of time, the whole thing was pretty much forgotten, and we were back in the good graces. But there was a period of time that, actually, the food operators downtown were encouraging their customers to gamble someplace where they didn't serve food. And there were some places where food was not served right on the premises.

When I went into the office at the club, I suppose I had about as good a knowledge of the gaming business as anyone who had ever grown up on the outside of the tables. I knew all the games and how to play them, and I had played them on occasions, most of them. I loved to play roulette, and I knew the payoffs. I loved to play "Twenty-One," I played the slot machines, I played very little on the crap table. But I knew all there was to know about the operation as far as the customer's side of it was concerned. But I was amazed how little I knew about the gaming operation from the inside.

It's almost impossible for people to believe that the greatest worry in a gaming operation is the dishonesty of the customer. But that is the truth. We found over the years that

they'll try any kind of a gimmick to beat the house. The feeling seems to be that as long as gaming is not a right, but a privilege, that any tactics are fair, and that every operator is fair game. And it's amazing the things that cheaters (they're called "crossroaders" in the industry) can think up to beat the house. With the slot machines, it used to be that there were only two ways to beat them. One was with either foreign coins or slugs. And back in those years it was not unlawful to play a slot machine with slugs or foreign coins; it is now. The state legislature saw fit, I would think back about 1959 or '61, somewhere along in there—could've been '63—to outlaw the use of foreign coins or slugs in a machine, not because they wanted to protect the operator at all, but because the slot machines, too, then, were on a gross tax. And every time a customer put in a coin of no value, or a slug, and took out good United States money, the state of Nevada and the Gaming Commission were losing money. So the legislature did outlaw the use of foreign coins or slugs of any kind in slot machines.

But that wasn't the big worry with slot machines. In those days, the customers that worried the management in a casino weren't the crossroaders. They weren't the paid people who played the table games. Instead, they were the "rhythm" players on the slot machines. And it was hard, almost impossible, to convince the operators themselves that this practice could profitably be learned by almost anyone. The secret of it was to time the pull of the handle in such a manner that you would eventually get the three bars rolling in a particular rhythm. And certainly, if you allowed exactly the same amount of time each time, when you had the rhythm down to perfection, you allowed the same exact amount of time between the time you

dropped the coin and the time you pulled the handle, you could develop a rhythm that would beat a slot machine, regardless of what the percentage [was]. Even in those days, as loose as the laws were, every machine *had* to—*simply had to have* a paying combination, a combination that *would* pay a jackpot, to be legal. The law didn't tell you how many bars you had to have on each reel, but you had to have at least one on each reel, and it had to be possible, so that when the three bars came forth, it'd pay a jackpot.

Well, rhythm play presented some real problems to the people in the club, and particularly in Harolds Club because Mr. Smith had worried over the years about the slot machines. When he first went in the business, people wouldn't play them like they do other games for entertainment. They more or less were piggy banks in which you put your loose change. To think of buying a roll of nickels or a roll of dollars to stand and play a slot machine, why, that was unheard of, because they were just simply too tight. They were actually piggy banks. They were not an entertainment device.

Mr. Smith had with him for a lot of years a fellow by the name of [George] Barnett, who was a self-trained engineer, and a miserable man to live with. He was a grouchy old reprobate if there ever was ones but he did know engineering. And Mr. Smith set him busy one time to see what he'd have to do to loosen those machines up so they'd be more acceptable to the players. Barnett went to work. He had people in the slot repair department come up with different symbols and different reels, and found that (with the help of the factories that manufactured slot machines—and most manufacturers in those days set their machines for a particular percentage, generally in excess of twenty percent in favor

of the house) through changing the reels, changing the pay-out symbols and the pay discs, he finally got the machines down to where they paid off pretty well. And so Mr. Smith had a few of 'em put on the floor. And the customers, themselves, could identify in nothing flat. *They* knew, they could tell that machine that'd been modified. They would get constant plays. They'd stand and play by the hour, whereas the others, they'd put in two or three coins and walk away. So Mr. Smith pursued this. He kept after Barnett. And he said, "Well, make 'em a little looser." They were still makin' money. "Make 'em a little looser, maybe you'll get more people to play 'em." So Barnett went to work. He developed a contraption that would actually activate the machine electrically. This was the forerunner, probably, of the electric machines that they have now. He never had any intention of coming out with an automated slot machine. Instead, it was just a time-consuming and tiring job to stand there eight, ten, twelve hours a day, or to have someone else stand there, and pump nickels into that machine (or dimes, or coins, whatever the denomination might be).

In those days, nobody dreamed that you could sit down and mathematically determine, to the tenth of one percent, the exact house percentage of *any* given set of symbols on a slot machine. They finally got some university professors in on the deal. George Barnett got them to help, and they showed him exactly what combination you had to have on the reels, and exactly how the pay-out discs had to be drilled to come up with any particular percentage. In other words, it's just simple arithmetic, that if you have one bar on each reel of a slot machine, and you have three reels, and there are twenty symbols on each reel, then it's easy to figure how often a jackpot

is going to come. Because if you multiply twenty by twenty, it gives you eight thousand to one. And that is the frequency with which a jackpot used to come on the old machine with one bar on each reel.

But they found, by putting two bars on the first reel, and two on the second, that it increased that customer percentage markedly. By putting three bars on the first reel, two bars on the second reel, and one bar on the last reel, they found that you really got it down to where it was an entertaining device, that it really would pay off. And even though the house maintained an inherent, a built-in percentage at all times, that over a long run, they were going to make money, it became an entertaining device to play.

Barnett continued to experiment, finally with dollar machines. Nobody ever played dollar machines. But one dollar was the equivalent of twenty pulls on a nickel machine. There was a lot less wear and tear on the machine, and you paid the same license for a dollar machine that you paid for a penny machine. So it was much less wear and tear on the machine, and, of course, quite a lot more temptation to get a \$150 jackpot, too, than a five-dollar one.

So he got experimenting with dollar machines. And Mr. Smith wanted those just as loose as the machine could be made. So he got changing symbols, and he put 'em on this contraption device of his, and he guaranteed Mr. Smith that, by golly, here at least was a machine that would captivate people. They would stand by the hour and play it because it just was so loose. So Mr. Smith had one of 'em fixed up in the slot machine department and put 'em on the floor. And true enough, they created a tremendous dollar slot machine play. But after a couple of weeks of operation, they understood why. They kept having to load 'em. He had finally gotten the percentage

down to where it was in favor of the customer instead of in favor of the house [laughing], and it was impossible to make money on those machines.

But as a result, they started, then, working backwards, or changing a symbol here and a symbol there, 'til he had finally gotten those machines down to where the house retained 1.9 percent of every coin that was put in. Now, this isn't very much of a percentage, and it's almost impossible to make people believe that a slot machine can be 1.9 in favor of the house and still make money, or that the customer could still lose money on that kind of a slot machine. But the thing they don't understand is that it doesn't take 1.9 cents out of a dollar, for instance. But it takes 1.9 percent out of every coin every time you pull that handle. So if you play twenty nickels, actually, it's taking out 1.9 percent out of each of those nickels. This is what the machine is eventually going to end up with, so it's a pretty profitable operation.

Then he later found that through offering larger jackpots that he could increase the percentage a teeny bit, the house percentage, and still make them pleasurable to play. So most all the machines in the club were changed to 1.9 percent. What he called a bonus machine, and later were called the "Three-Star Specials," were increased to as much as 3.9 percent in favor of the house. But they paid jackpots in proportion to one thousand to one. In other words, a nickel jackpot was fifty dollars, a dollar jackpot was a thousand dollars. So the incentive, the bonus payment, was large enough that it did encourage people to play them. And they became an entertainment device.

Well, so much for the background of the slot machines. But when we inherited these people who—and I don't care what you do in a casino, no matter how careful you are, no

matter what you do to keep the customer from beating you, there'll be one customer smart enough to figure out some way to get around it. So with the rhythm players, it became a real problem, particularly on the dollar and half-dollar machines.

So Mr. Smith again put Mr. Barnett to work. What could they do? Well, they even contacted the slot manufacturers, who wouldn't believe that such a thing was possible. They were convinced, finally, however, that it *was* possible, and *they* went to work. They never did come up with a satisfactory antirhythm device. But George Barnett—God bless his miserable ol' soul—did come up with—and it was so simple! There's a "butterfly" as part of the mechanism of a slot machine which controls the little ratchets that drop into notches in the reels, thereby stopping them in position, one, two, three, or one, two, three, four with four-reelers. He devised a little device that would just momentarily stop that butterfly just over a split second, but it was just enough to completely break up the rhythm. Those reels would turn a little bit faster one time than they would the next, or a little bit slower than they had the last time. And this, not completely, but almost completely eliminated the worry of the rhythm player.

With that worry behind, it would look as though you had no worries with slot machines because the state had made it unlawful to use foreign coins or slugs in them. But then comes along an entirely new breed, which still exists, even today. And they're a breed that are armed with drills that are concealed in the palm of your hand or up your coat sleeve, with a little battery box up under your arm or strapped to your chest. And they'll drill holes and use wires to get in there and manipulate the reels. Or they'll put a piece of real light monofilament on a coin with

glue so they can drop it down the coin slot and maneuver it in just such a position that they can play, but retrieve the coin each time after they've pulled the handle. Then there are others that use magnets on the front of the machine. The reels, of course, on the machine are metal, although they're covered with cellophane strips, and there are ways that they can control the movement of those reels with magnets. So the day'll never come, I don't think, when there won't be some way for some smart cookie to cheat a slot machine. So many people say, "Well, if they're drilling your cases, why don't you put a little piece of bullet-proof steel in there?"

Well, this is all right, except this is one of the old worries that's been going on as long as I can remember—and has always been a worry in engineering—scientists spend months or years coming up with bulletproof plating, and then other scientists spend an equal amount of time, or more, coming up with a plate-piercing bullet. Well, the same is true with a slot machine. You put a piece of heavy steel around the case, then it's just a matter of cheaters finding a bit that's hard enough. If they can't find one, they'll have someone make one that will cut through that piece of steel. So it's a never ending circle that just continues to go on and on and on, and will continue, in my estimation.

But anyhow, these were some of the little problems that developed in the slot machines. And let me tell you, that when you get in an operation of that size, where you have seven hundred slot machines on four floors, you just can't hire manpower enough to watch 'em all. And there is no protection against a slot thief except surveillance, a pair of eyes looking at him. That's the only thing that's going to keep him honest.

The problems on the tables are about the same, except there's very little new in cheating

on—oh, take a dice table, for instance. There are ways of loading dice so that they'll come up on certain winning or losing numbers. And, of course, on a crap table, you can either play with or against the house. Most players play against the house, but a real good crap player plays both ways. When his luck is in, he'll play against the house; when the house's luck is in, he'll play against the player. And this is what distinguishes a good crap player. Most people that play craps, in my estimation, are their own worst enemy. They make one bet for themselves, and then make the very next bet in favor of the house. So really, they've eliminated their chances of winning, and multiplied the house percentage through the manner in which they bet. Many people consider that the long odds, the field play, and hard way six, hard way four, that they're sucker bets. Well, they are, but there are fours, sixes, and eights to be made the hard way on those dice, and, here again, it's a matter of being in the right place at the right time, not too much difference in drawing the right card in a "Twenty-One" game.

But they've tried all kinds of cheating devices on the crap tables, too, everything from electronic control devices, which are supposed to work. I've never seen one that worked, but I've heard about 'em, that they can actually control the dice. I've never seen them. Simple little tricks they pull, like when someone isn't watching—oh, previous years and sometime back, nobody was too particular about the drop box where the currency is deposited when a player breaks a bill on a table. Nobody was ever too careful about how well-constructed they were, or how well-bolted onto the table they were. But they'll pull little tricks, like while you're real busy, have somebody crawl under the table and rifle the box, and maybe just clean you out of all the currency in it. That's been

largely corrected because they've gone to steel boxes that are locked and bolted in place. So it's quite a job, any more, to do that. But they palm dice, they bring in their own dice. And you must forever be on the alert, not only the dealers, but the pit bosses. And that's what the pit bosses are there for, is not only to keep the dealer honest, to be sure that he makes the proper pays, but also to keep the customer honest, and settle matters of disputes. If the dice lands at an angle, it's called a cocked dice. And generally, it's no play, but in some casinos, it's up to the pit boss to determine whether that's a legitimate throw or whether it isn't a legitimate throw.

On the "Twenty-One" tables, they use every kind of a device that you can imagine, from devices that fit up the sleeve and are activated by a shrug of the shoulder that automatically feed a card, either a large card or a small card (they're all prearranged), into the palm of the hand of the player, and he in turn switches that card for one in his hand. Or they use daubers on the edge of the card, which are hardly noticeable unless you know they're there. If you know they're there, you can see 'em. They use invisible markings that are available through certain supply houses, and must be used in conjunction with a particular type of contact lens. They're absolutely invisible except with that particular type of lens fitted to your eyes. And you can read them like they were the marks on the cards, but the dealer or the pit boss can't read them.

Not too many problems in the industry with the help playing against the house, or siding in with a customer. On rare occasions, a buddy might come in and be paid more than he actually has won on his hand. But the dealers are hesitant to try dishonest methods for beating the house because of the man in the sky, the fellow that watches through

the one-way mirrors that every casino has, actually, probably, isn't over a particular table more than a few minutes out of any hour, unless he sees something—something catches his eye, and he sits there and concentrates on that particular game. He isn't probably—might not spend more than a couple minutes an hour there, but just the same, the dealer doesn't know whether he's there or not. The very fact that the mirror is there pretty much keeps 'em honest.

And then there's no such thing as a "black book" amongst dealers, although dealers who've been fired swear that there is. I'm sure that it's common knowledge, generally, when a dishonest dealer is fired. I think within the fraternity that the real truth is told about why he was fired. It never goes on his records. If you were to ask anybody in a casino why so-and-so got fired, they would never tell you. Even one of your closest friends wouldn't tell you. But the word does get out, and anybody that's ever been caught red-handed in a dishonest act in a casino just simply isn't going to work in another one. And many of those people just don't know how to do anything else. That's all they've done, that's been their life work, and so they hesitate to be crooked.

Their greatest worry from the dealer's standpoint, in addition to having to watch every minute for dishonesty, is the drinking player, the player that just doesn't play until he gets about half lubricated—and I think that takes in most of 'em. And then, invariably, if he has a little bad luck, he becomes abusive. In Harolds Club, the customer was always right, even when he was dead wrong. So the kids (the dealers) take a lot of abuse. I think maybe that's one reason that it has been such a good place to work, is because they were compelled to be friendly and understanding at all times. And as a result, I would think, although I have no way of knowing—but

I would think that tokes, or the gratuities (they call 'em "tokes" in their vernacular), were probably better in Harolds Club than any place in northern Nevada because of the friendly attitude of the employees. We always used to have customers say, "Well, how come Harolds Club is so friendly? How come we can come in here, and everybody smiles at us, and they even make you feel they *want* you to win. When you go anyplace else and win, they look down their nose at you."

And my answer to that always used to be—and I said it many times to Mr. Smith—that that was the secret weapon of Harolds Club, that smile on the face of the dealers, and the bartenders, or the janitors. It was just something that—if you'd ever been around Harolds Club before you went to work there, you *knew* you couldn't work there without that kind of an attitude. And when you went to work there, you were surrounded by the old-timers, the people who'd been there so long, they were friendly and cheerful, that you almost inherited that kind of a demeanor.

I recall one of Pappy's favorite sayings was that—. One time we were talking about his secret weapon, the friendliness of the help, and he said, "You know, I guess maybe there's somethin' to that, because," he said, "one time I had an old fellow and his wife come in, and they'd been coming to the club for years. But they came in and wanted to meet me. And I thought, 'I didn't talk to 'em at the tables.' Pappy used to go around and double bet. It's the only place on earth that would ever do that. He'd just walk up behind a table and say, 'Pay everybody double this time.' Sometimes, if he was in a real good mood, he'd say, 'Pay everybody triple if they win this time.'"

Well, if the dealer had a good hand and nobody won, Pappy'd say, "Give me that deck. I want to deal a sucker hand." So he'd deal everybody two cards, and then he'd

deal himself four, five, or six cards, enough that he had more than twenty-one, and pay everybody off. Well, this was, of course, one of the things that endeared him to the players, 'cause they knew, regular as clockwork, and almost around the clock—. I don't know how he did it. He'd be there at three o'clock in the morning, he'd be there at six o'clock in the morning, he'd be there at noon. He very seldom slept a full night. But he had this way, always with a big smile and a big grin, and it just was contagious. It rubbed off on the employees.

But I remember him telling about this couple. They'd been at tables when he doubled the bets, and he'd seen 'em before, but he'd never met 'em. They came in and wanted to meet him. And he'd had a long-time secretary, Esther Stevens, who'd been with the club, I guess, twenty-six or twenty-seven years, now. But she started almost with 'em in their infancy, and she was his private secretary. And he didn't have much time to visit with the customers in his office. He was in the club working most of the time. But he happened to be in. So they went in, and he says, "You know what they said to me? They said that that was the greatest entertainment of anything they'd ever done." They'd been moderately successful, and they were retired, and they had money. But they came to Reno to gamble because it was more fun than anything they'd ever done. And he said, "They told me that they came to Harolds Club regularly now, and," he said, "they told me that they'd rather lose to me than win from them other bastards," and then he'd laugh his head off.

And I think this pretty much expressed the attitude of the average Harolds Club customer, that they knew they were going to get a fair shake—more than that, they knew they could take advantage of the Smith family if they wanted to, through asking for

a refund or to buy 'em a bus ticket home, or something. But the real reason for the success was certainly that friendly attitude. And it's pretty difficult to maintain. It's, I think, much harder than for a dealer in a casino to keep smiling when you have a particularly difficult customer at the table. He always looked upon bartending as being one of those jobs that requires the most understanding kind of a disposition. But at least in a bar, if a fellow gets so obstreperous that he's getting under the bartender's skin, the bartender can walk down to the other end of the bar and get away from him momentarily, at least. You can't do that in a gambling game. You have to stay right there. You don't dare leave for a minute until someone comes along to relieve you.

And that's another thing that Pappy was very good about. The girls worked forty minutes, and the fellows, too (it was predominantly girls, of course). They worked forty minutes, and then they got a twenty-minute break. And they got their full hour lunch period, too. So working conditions there were extremely favorable. Most of the girls liked the idea of Western wear, and, of course, the Western wear became the costume of Harolds Club.

While we're touching on girl dealers, Pappy was the first to use women dealers. And again, it was another one of his ideas that he cooked up, but not through desire so much as through necessity. Because I guess in '44 or '45, when so many of the young available people had gone off to war, manpower became a little bit difficult in a casino. And Pappy thought, "Well, why can't girls do this as well as anybody else?"

Well, actually, when they first started with girl dealers (and I remember it very well), there was a tremendous amount of resistance on the part of the players. They just felt it was a man's game, and there was just no place for

a woman behind that table. But that gradually wore off, and I think, within a couple of years, even, that the resistance to girl dealers not only completely evaporated—or almost completely. I think the real died-in-the-wool gambler, the fellow that, oh, Nick the Greek, or Eddie Sahati, fellows like that, that really were professional gamblers, I think they always resented a girl dealer. I think, first of all, they had to watch their language, or felt they had to watch their language a little more carefully. But I think that, after a couple of years, that situation kind of reversed itself, that instead of the customers objecting to girl dealers, they really welcomed 'em. They always had a more pleasant smile than a man dealer, and they were more understanding, and then, particularly, I think the average woman is more adept at handling a deck of cards, or even a pair of dice, or as far as that goes, or the little white ball on the roulette wheel. I think they're—just because of their more slender fingers and they're more accustomed to detailed kind of thing that they just did a better job, just did a better job of handling the cards or dice than a man did.

The crossroaders, the cheaters, they became so proficient that a person without specialized training in detecting them would never know that they were in the club, and I certainly would fall in that category, and never had the opportunity to study their techniques. So that became pretty much of a specialized chore for the pit bosses, and they were very well trained in it. They could spot a cheater. Even if he was using some new kind of a technique, it wouldn't take them very long to spot him, if they were on their toes, if they were alert.

But the people that came in with a guaranteed but legal plan or scheme or system to beat the games, they were welcomed with open arms. They still are. There have been

a few cases where the system seemed to work. But I think every casino welcomes the system player. It used to start with just the player who was provided a pad to keep track of as many successive rolls of the ball on the roulette wheel as he cared to. He'd have a whole pad of 'em, and he could sit there for a week, if he wanted to, not playing, but merely marking down the numbers as they appeared in successive plays on the wheel. That type of player, who, after several days of doing nothing but watching the game and analyzing it, and then going back over his figures and knowing what numbers were coming more frequently than others, when he finally thought he had everything all figured out and sat down to play, he generally was a pretty good player, generally made [a] pretty sizable bet. So they were welcomed with open arms. And they were even given a special stool at the table it they wanted to sit there by the hour and watch the goings-on.

The only real worry, I think, of the system players was when counters started taking over in the "Twenty-One" games. The counter is a person that will mentally keep track—generally a good bridge player or gin player that has a faculty for remembering every card that's been played. And he'll count the number of tens played, the number of small cards played, mentally, and then seem to know just exactly when to draw or when not to draw. He knows that there are only eight face cards left in the deck, and the dealer has a small card up and almost certain to draw, he would pass his draw, and just take the chance that the dealer would have to draw two or three small cards to get a hand larger than seventeen, where he has to stand. In fact, a dealer has to stand on seventeen or more.

But they did become a problem, particularly in single deck games, where there were only fifty-two cards to keep track

of. This was readily rectified, however, by the club, in going to either dealing from a shoe with as many as four or six decks, or using two decks at a time instead of one. The industry's defense on a card counter, and one that completely baffled the counters, and pretty much put them out of business, although they're still operating (they still think they have a great thing going)—the thing that saved the industry is that the industry has the prerogative of reshuffling the deck at any time. Prior to the day of the counters, it was normal procedure to deal right down to the last card, which, then, was buried in the reshuffle. But you could deal one hand around and shuffle. There's nothing unlawful. In other words, the industry is only protecting itself against something that would be disastrous if they didn't do it, through reshuffling whenever they want to. They might reshuffle after the first and the second hand, or depending on the amount of play, might go six or seven hands in a two- or three-hand game.

So even though they gave the industry quite a scare and were widely written up on even national media—and I daresay, cost the operators a sizable amount of money before they became aware of what actually was going on—I think, eventually, the thing has worked out now, although there're still books being written. I noticed in last Sunday's *Nevada State Journal*, the entertainment section, there was a writeup of a gentleman who was here who had just written a book, and he was a military man. The reason hed written the book, he said, was because he had watched his fellow officers stand and lose their money at just an alarming, disgusting, and unnecessary rate, or words to that effect. So he had written a book.

Well, when anything like this comes out my phone starts to ring, because it is an industry association problem. What do

we do about it? Do we—will it be harmful? Should we particularly be on the lookout for people that have read this new book? Should we ask? In most clubs, conversations between the dealer and the customers is not only permitted, it's encouraged. And asking a simple little question, "Well, you play just like you read so-and-so's new book. Have you, by chance?"

And we decided no, that the best thing to do was absolutely nothing, that like all other systems, that the publicity on the fact that it was a new book wouldn't be harmful. On the contrary, there's going to be a lot of people buy that book and read it, and then they want to come try the system to see if it works. And so long as the system is legal and honest, the industry isn't afraid of any system that's been devised.

We've talked about the various problems encountered in a casino in keeping the customers honest. But in fairness to the player, too, fairness to the customer, the state has a responsibility to keep the gamblers honest. And this, of course, has been accomplished through the formation of the Control Board and Commission and the resultant regulations and manpower changes that have been made since 1959. The casinos are policed by the state. They're audited by the state. The state has a pretty complete staff of investigators whose job it is to, periodically and unannounced, visit casinos, watch the operation. The auditors, of course, don't pay too much attention to the actual operating personnel of the casino, the dealers' change aprons, other people on the floor. But their duty is more financial, to determine that the money is getting from the games or the slot machines into the counting room as being properly accounted for, and being properly reported. And there's quite a detailed system that gives the state amost assurance that the

casino operation, regardless of where it might be, is on the square and paying their fair share of taxes.

A pretty detailed accounting system has been set up for all casinos, and the pattern followed, I think, pretty much universally. The drop boxes, where the currency goes on every table, are locked. They are picked up, never by one person, but generally by three, delivered to the counting room, where they are unlocked and turned over to another group of people who do the counting. Same is true of the slot machines. Each machine has a number. The returns, cash returns, coins from that machine drop into a sack, which has a number corresponding to the machine. The machines are metered so that they prove the number of jackpots that have been paid out. Many of them also have coin counters on the handles to show the number of actual pulls of the handle, or number of coins inserted.

Other provisions in the law make it almost impossible for a licensee to keep for himself earnings which are not reported for tax purposes, for the primary reason that it requires from a minimum of three to maybe as many as twelve or fifteen persons in the counting room. And any deviation from standard procedure, such as "taking money off of the top," as they say, or skinning, would necessarily require not only the assistance of, but would also require the knowledge of the many persons in the operation that this was being done. And here's what could really lead to trouble for an operator. In any kind of an operation where there's any amount of money involved, he would have to do it with the knowledge of the people in the counting room. There's no other way. Because he has no way of getting his hands on that money without it passing through theirs. And it he takes them into his confidence and wants to steal from his own operation, thereby

depriving the state of revenue, he's practically marrying himself to every individual in that counting room. They could blackmail him at will, he certainly would *never* dare fire them. So it just isn't worth the chance that would be involved.

It used to be common practice to take money off of the tables for various purposes. Maybe you wanted to send someone home in a cab, or maybe you wanted to buy a round of drinks for the house. But this practice, too, has been completely discontinued, so that the accuracy of the count is almost guaranteed to the state.

Now, the state doesn't enter into the count. But they do, customarily, and quite frequently, come in and watch when the drop boxes are being taken to the counting rooms, or when the machines are being taken off. So enforcement at the state level is probably much stronger than enforcement of any other law on the books. And the constant changeover of investigators, constant rotation of personnel from area to area, and the hiring of new employees by the state, the

Now, I wouldn't want to convey the thought that the greatest danger, not only to the state, but to the operator, is the dishonesty of the customer, because dishonesty—dishonesty at any level—cannot be condoned in the gaining industry or in any other industry. But the licensee would hesitate a long, long time to do anything dishonest because it only takes one infraction of the rules and regulations, and the state can cancel his license, which means an investment of probably millions of dollars could go down the drain with that cancellation. But the problem of the house protecting itself has been so severe in past years that just this year, the state of Nevada passed through its legislature a cheater's bill, which is patterned exactly after the shoplifter's bill. In other words, it gives the gaming

operator a chance to protect his inventory, just the same as it gives the merchant a chance to protect his against shoplifting, in that it permits the detention of a suspected cheater long enough for questioning, or to call an officer, or to determine just what he's up to and what's going on.

Now, prior to this time, this had been a tremendous problem. Prior to the enactment of this law, if you detained a person in a casino for a suspected violation of the gaming laws, such as pilfering a slot machine or marking cards or using dice, if you detained him, or had him arrested, and didn't have absolute, concrete proof that he was guilty, you found yourself faced with a suit for false arrest. And this used to be a favorite old pastime. There were people who would just look suspicious and make you think that they were doing something wrong, just to get you to arrest them. And then they come back with a false arrest suit. So the problem, I'm sure, within a casino, is going to be greatly reduced now, in that they do have that authority, to, if you even suspect that cheating's going on, not only depriving the operator of revenue, but the state of tax income, tax revenue, detain a person long enough for questioning. And this is going to put a tremendously different light on people attempting to cheat the house, I'm sure. I think we've made it clear that it works both ways.

There's a lot of difference of thinking on the matter of competition amongst casinos, and I don't believe there's any other industry where the competition is as severe. Each operator is jealous of the other operator. They have their own way of thinking in how a casino or club should be operated. They have their own means of bringing customers in. They have their own means of how they handle them after they have them on the premises. Some use promotional schemes just

to get them in, through an offering, meals, or drinks, or free chips. Others'll use the system of maybe buying a few more drinks than the average casino. Each of these ideas in promotion serves a purpose, because not all people are freeloaders. The freeloaders will go to the casino that offers the most. But on the other hand, there's a certain segment of the customers that prefer not to be plied with liquor when they're gambling. They take their gambling seriously, like most people do bridge. So the casino that's real free with the free drinks will attract a certain element. Those who operate a little more conservatively will attract another element.

Harolds Club was always more or less a flamboyant club. Pappy was *always* thinking up ideas, either crazy dress ideas for the help, or—one time we had crazy hats that were, really, abominations that all the dealers wore. It didn't do anything for business, maybe, but it did increase the traffic flow through the club because people'd hear about it and they would walk through. And that's the primary thing, is to get people in the front door. So undoubtedly, every one of those ideas did help business to some extent.

The competition between some clubs was ethical, and I think in almost every case, was completely fair. But in some cases, the jealousy was so tremendous, so intense. For instance, when the seventh-story addition to Harolds Club was built, we wanted to put some neon tubing on the south side of the building. This would have protruded in the air rights above the Nevada Club. There was always a very strong feeling of almost hatred between [Lincoln] Fitzgerald and Mr. Smith which I think was one-sided. To my knowledge, Mr. Smith didn't hate anybody. But Mr. Fitzgerald absolutely refused to permit us to put that neon tubing on the south side of the building because it projected two or three inches over

his property line, even though it was thirty, forty feet above his club. But this is typical, that there was just *no* cooperation whatsoever.

The same feeling existed in the early days of the club when Mr. Smith came in because the intrusion of *any* newcomer was tremendously resented by the established gamblers. In those days, it was primarily Graham and McKay, and they did everything they could to try to close Pappy's doors and get him out of business. But they weren't successful.

On the other hand, when Bill Harrah came to town, they had been very close friends, Bill's dad and Pappy Smith, in the concessions and keno business on the West Coast, primarily. And they worked hand in glove. They got along beautifully right up until Pappy's death. The Harrahs respected Mr. Smith for what he'd done, and they were always available for discussions on any major problems, and always very helpful. They were exceptions, however.

Although others respected Mr. Smith and his operation, there was always that jealousy that existed, and just a fierce, tremendously fierce competitive attitude on the part of most of the clubs toward Harolds Club, most of it justified, too, because other club owners would bring their friends into Harolds Club. And I recall, at one time, one of the most successful operators, in the middle of the winter, brought a small group of three or four or five of his friends from out of town through Harolds Club. And as he was going out the front door, he was heard to say, "See what I tell you? He has more people in his restrooms than we have in our whole club!" So he did have a way of attracting people—his presence, probably, more than anything else. None of the other operators used the tactics that he used, the person-to-person tactics, in cementing their relationship

with the customers, and I think this was a point that caused a tremendous amount of jealousy. Other operators, generally speaking, didn't want to work that hard. Operators of casinos are not generally the most overly ambitious people. They put in long hours, but it's primarily supervisory work, and not necessarily public relations work or real detailed, hard work of any kind.

Back in the early days of the club, Mr. Smith had an idea which I think he carried through, as far as I know, without exception, and that was that the customer was always right. And, of course, this was unusual for a casino. You must recall that casinos in those days were pretty much, oh, in the alley locations, many with barred doors, and many, of course, operating during bootlegging. Bootlegging was generally not done in the open, and the bars were not in the same room. But I'm sure that this, too, created a jealousy, that it was just foolish to treat gamblers or gambling customers the way Mr. Smith was treating 'em. I only mention this to show that the feelings of jealousy (which, of course, later turned into strong competitive feelings) were engendered way back when Pappy first went into business.

We had many problems legislative-wise, starting back when the control of gambling was taken from the Tax Commission and put in the hands of the Control Board. I think the average casino operator in Nevada was glad to see this control, because he knew that, so long as that state had good, strong control, his investment was safe. But there was a tremendous infiltration along about 1955, or slightly earlier, of investors coming into the state and into the gambling business who were not all Sunday school teachers. The word got around, and I'm convinced that had there not been some controls—stronger controls than we had inaugurated back in those years,

that gambling would've gone down the drain, because it would've been closed down by the federal government. In fact, on one occasion, it was nearly closed down. There was a bill introduced in Congress back during the Kefauver days, and prior to his time, too, there'd been some legislation. But anyhow, this one particular bill imposed a tax of ten percent on every bet.

Well, in the first place, it would be unenforceable, but in the next place, if you tried to enforce it, you'd slow the games down so much that it would completely ruin a casino operation. Senator McCarran was in the Senate in those days, and actually, the bill was up for a vote, and he nearly killed himself off running from office to office to get enough votes to modify it. And it was modified. However, as it came out, it did apply to keno, but not to the other games, or the slot machines. And that same problem has arisen a couple of times since in Congress, and undoubtedly will arise again. There are a certain number of do-gooders back there who, when they speak of organized crime, think immediately of Nevada. We're always categorized with the black hats instead of the white hats. And we spent many, many hours, many days, and many dollars in combatting proposed federal legislation.

State legislation has never been very harmful. As a matter of fact, it isn't common knowledge—. There has been harmful legislation introduced, but fortunately, most of our legislators are people with investments here, and they realize that their investments will depreciate rapidly or down to nothing should we lose gambling in the state. But there was great concern when the first gross tax was applied to gaming [1945]. And that was not done—that tax was not even put on or introduced until they had talked to Pappy Smith. And I'm sure, had the competition

known of this conversation, they would've disliked Mr. Smith much more than they did because he approved the first gross tax on gaming on the grounds that Nevada had been very, very good to him, and he wanted to carry his share. And that, as I recall, was one percent, later raised to two, and then finally to the formula that we have now, of from three to five and a half percent on gross business. He honestly meant what he said, that he wanted the industry to carry its share of the tax load. He always had said, during meetings and private discussions, that when the day came that the rest of the business community didn't prosper along with gaming, then gaming was going out the window. So he was very considerate and very fair in matters of taxation.

Now, that was fine back in those days because there was very little state or local taxation, and no federal taxation on slot machines when he originally started this thinking. But that's grown over the years, to a point where our entire state budget, now, almost half of the revenue, is picked up from gaming interests. And there *has* to be a point at which no further increases can be made and people still stay in business and make a profit. It's just as difficult in today's operation of a casino—it takes just as careful supervision to keep the figures in the black at the end of the year in a club or casino as it does in any other merchandising business. And whether or not we've reached that point is anybody's guess.

So many people say, "Well, can the gaming industry stand an additional tax?" Well, I'm sure that the answer, if you were to ask those in the business, would be no. But hasn't this been said of every tax that's ever been levied, whether it was the income tax or on the state level, the sales tax, or an increase in taxes on liquor or gasoline, or anything else? The

answer has always been, "No, we can't stand it."

I think everyone was trying to be truthful when they said those things, but the redeeming thing has been the increase in volume, that because of the increase in volume, the industry has been able to absorb the increased taxes without any great harm. So long as our volume, our visitor count, continues to increase yearly, the casinos will do very well. However, I hate to think of what the outcome might be if we had one or two years when we *didn't* have a six or eight or ten percent increase in influx of visitors. And this presents a real serious problem, because too many people think that when the visitor count drops down that it's just too bad for the casinos. But unfortunately, now, the income from the entire state is so closely geared to the visitors to our state that when the count drops (as it has, for instance, the first quarter of this year [1971]), it doesn't only affect the income of the casinos, or the gross win of the casinos, but it also affects the room tax and cigarette tax and liquor tax and gas tax, and all the other taxes that a visitor will pay, regardless of whether he arrives by air or bus or private automobile. So our big worry is to be sure that we conduct ourselves in such a manner that we will continue to increase that visitor count every year.

The natural population increase in Nevada has resulted primarily from these people coming to visit us and deciding to stay, or having been sent here on an assignment either at one of the military bases and deciding to come back. And this has been good, solid growth. Most of them buy homes, and in many, many cases, most of them have become some of our most prominent professional people. And this is particularly true of our liberal divorce laws. In Reno, and in Las Vegas as well, a high percentage of our best qualified

professional people came here originally for a divorce, and liked it, and decided to move here permanently.

I doubt seriously that the fact that we have gaming in Nevada makes any great impression on the cost of welfare in the state. There's the occasional case, I'm sure, where someone loses more money than they should in a casino and ends up on welfare. But I think those are very remote. And I think that situation is not any worse than it is in other states where they have racetracks or where they have back room poker games. I don't think that legalized gaming has added anything to the welfare costs in the state. The people that are attracted here as employees, gaming employees, of course, I think that you'll find probably a nonexistent percentage, or at least a very, very low percentage of those people who ever are on welfare rolls.

Generally speaking, in those families, the husband and wife both work, if not in casinos, maybe one in a casino and one elsewhere. And if, for any reason, they should lose out in a casino, they are, generally speaking, buying a home, or have set their roots here, and they find other employment and have turned out to be good citizens. I think evidence of this—if you'll look at the people who take the time to coach our Little League teams and our Babe Ruth teams, and who are active in, oh, the swim meets, and providing transportation and guidance for these kids—and this is going to come as a shock to a lot of people—a high percentage of those people are club employees. And like most other families, they're in it primarily, maybe, because they have a child of their own in the program. But then, they're in it, too, because they have that much civic pride. They want to do whatever they can in helping to make the community a better place in which to live.

I foresee some great big problems since the inception or the enactment of our legislation permitting corporate ownership of casinos. A corporation looks primarily to the welfare of its stockholders. And unfortunately, this has been evidenced in some of the casinos purchased by corporations. They've lost the personal touch, not only with the public, in most cases, but with their employees as well. And where we go on that score, I don't know. It's kinda like how do you unring a bell? We're blessed with it, we have to live with it. But for those corporations to be successful, they'll have to completely change their tactics in the operation of a hotel or a casino, or a hotel with a casino.

We still have, and will always have, constant contacts with governmental agencies on all sides. We're forever in discussion with the Internal Revenue Service, the Treasury Department (since we've gone to gaming tokens). Even the Interstate Commerce Commission gets in the act, questioning the transportation of people here for gambling purposes by charter buses. And this is almost a full-time job, for not only the trade associations and representatives, but for the attorneys of the major clubs, as well as the attorney general's office of the state of Nevada.

There seems, always, to be a feeling that, because we are in gambling, even though it's legal, that we must be a bunch of outlaws and gangsters, or we wouldn't be in the business. And I suppose that none of us will live long enough to see this change of thinking at the federal level. That feeling, I'm sure, existed in even our state legislature not too many years ago. But I think through dealing with the owners, the licensees, the people who own, have their money invested in the gaming business, that the state legislators have determined that the legalized licensee is an honorable person, that he wants to do

business legally, he wants to be part of the community in which he lives. And I think, to a great degree, we've overcome that feeling at the state level. I don't think we'll ever live long enough to overcome it at the federal level. The situation back there's not much different than the state. There's a constant turnover of personnel in the Senate and Congress, and they've seen illegal gambling in their areas, and when they think of illegal gambling, they classify us right along with the people they've met in those operations.

There has been a tremendous public relations job to do for the industry, and I think it's been quite well done. It's a continuing job. It's a job that we'll never finish. As a matter of fact, I had a professor at the University say to me when I took this job with the trade association, he said, "You've been real successful in your life up to now. I feel kinda sorry for you."

And I said, "Well, why? I'm kinda happy about this step up the ladder."

He said, "Well, but for the first time, you've stepped into an impossible job. All the other things you've done in your lifetime are things that *could* be handled, and you've handled them well. But now you're stepping into an impossible one, one that can *never* be done."

And I said—I questioned him, "Well, why do you say that?"

And he said, "Well, because your job, I understand, primarily is to improve the image of the gaming industry. And, he said, "There's just no way you can ever do that. With the stigma' that gaming has on it nationwide, you have an impossible task, one that can *never* be accomplished at the national level."

The publicity end of the business of a casino is something in itself. It's different than the public relations aspect in that the news releases and, generally, contacts in regard to

problems involving the industry go to the publicity department. Harolds Club was very fortunate during its early years in that they had retained Tom Wilson and his agency to represent them as an advertising and publicity organization. Tom, having grown up with the club and being very, very close to Pappy Smith and the rest of the family, knew exactly how to handle any kind of a given situation. It's very difficult for a publicist to do a good job for a casino for the reason that very little can be said about gaining, as such. They're limited to talking about the entertainment that they might have, or promotions that they might have to offer. But the job's equally tough for them in that the average owner, the average casino operator, is very reluctant to make public statements. And sometimes, this is to their own disadvantage. There was a day when gambling first started, of course, that the gamblers were not expected to say anything. They were looked upon—and in many cases, probably, rightfully so—as more or less second-class citizens. They adopted the policy in those days that it didn't do any good to say anything 'cause people wouldn't believe what you told 'em anyhow. So they stepped into the background in the picture, which has worked to the disadvantage of the industry on many, many occasions, when the industry would've been much better off if the licensees themselves had stepped forward and given their own personal opinion on any matter that might be under discussion. I really feel sorry for a publicist in this line of endeavor when he can't get the full cooperation of the principals. Tom did the job masterfully. He was close enough to Mr. Smith, and he knew his thinking well enough that he, generally, could come up with just about exactly what was to be said on any given subject.

However, back in about '63, Mr. Smith, in one of his more impulsive moments, decided

that we were spending too much money on advertising, and that we simply had to cut it. So he eliminated practically all of the local newspaper advertising, all of the radio, and what little TV we had in those days. And as a result, Tom Wilson's agency's revenue was cut drastically from our account, and ours was the largest account they had.

Tom came in one day and said he was going to quit, he was going to look for a larger account. Of course, this shook us up tremendously, but he stood by his guns, and he did resign the account, and shortly afterward took over as the advertising agency for Harrah's. It then became my chore to fill in for the agency until we found another man. This was a matter of four or five months. Finally, we did decide that Roy Powers represented everything that we wanted in an advertising and publicity man, and he was hired, and eventually took over the department as director.

The problems of a man in that position are many, particularly when working for people who are impulsive by nature. They're difficult, too, because they are constantly being called upon by out-of-town people from other media, newspaper people and others, most of them who are here only because they have heard the story that the freeloading is pretty good around those Nevada casinos. Generally, a room doesn't cost you anything, and drinks and food doesn't cost you anything. But it's awful hard for the publicist in one of those places to give them a real inside story on the operation of a casino. They do it, and do the very best they can, considering, in most cases—or at least, in some cases—complete lack of cooperation on the part of the owners.

*Federal laws have prohibited interstate advertising of gambling.

Unless it's a tremendously large publication, the owner doesn't want to be bothered being interviewed, and this adds, of course, to the chores of the publicist.

But this is an area which can be improved. The bad publicity that Nevada has received over the years, through national publications and through the writing of books, in my estimation, is attributable to a great degree *because* of the lack of cooperation of the owners and the principals in talking with these people when they do come to the state. As a result, I'm sure that most of the articles and some of the books that have been written have been written at much longer than arm's length, probably a distance no less than from Nevada to Chicago or New York, where they were written. I honestly believe, from some of the writings, that those people have never been in Nevada. All they know about it is what they picked up from other stories, and they expand on them. This has worked to the detriment of the state. But not all the blame is to be placed on the writers, because they haven't been given the complete cooperation in every case that they should. And if writers do come out here and they walk into a place and they're confronted with absolutely no comment, or a lack of any desire whatsoever to cooperate and give them a story, then, actually, we're just asking for trouble. And certainly, we've had it as a result of that type of contact.

[Would I tell any individual incidents of doing this myself, of making these contacts and trying to do the publicity and public relations all together?] Oh, I don't think so. See, the time that I was in there, I had many other things to do than that. That was just an added chore when I did fall heir to it. And during that period of time, gee, I was so busy with just local problems that I didn't make any—. I don't know how I could elaborate

on [medial] problems, 'cause there weren't any problems.

The problems that we had were not in the writers with whom we might have direct contact. I think, instead, the problems we had were with the writers with whom we had no contact. And, yes, we used to spend a lot of money, I guess, when Powers came in, and prior to that, with Tom Wilson. We spent a lot of money in contacts, in bringing writers or people that could do the state some good in on all-expense tours and have them as our guests. And, of course, this is common practice. If you offer those freeloading offers, they always accept, but they don't always do the kind of job you wish they'd do. The problem is picking the right type of people to bring in, those persons that are not just looking for the free meal. But I don't think there's much we can elaborate on there.

Some of the interesting things that happened over the years were the proposed or intended sales of the club back in the early '60's. The club was approached one day by a gentleman by the name of Agostini, from back East (New York, I think), who said he had buyers for Harolds Club. The [Smith] family really wasn't interested, wasn't looking for a buyer, but the pressure was put on to name a price. So a price was named, which they felt was fair to them. And within a very short time, Mr. Agostini comes up with a deposit of \$500,000 to show good faith and ask for a period of time to meet the balance of the price, which was supposed to be a cash deal. When that day arrived he was unable to come up with the additional funds, and the \$500,000 was forfeited. As a result, there were court cases which were documented in the newspapers. And I do recall that the club was called upon by the court to show actual damages done, and the \$500,000 was retained on the basis of it being damages for not having

completed the sale. And it was a real difficult matter to show the court or anyone else that there had been any damages. It resulted in a tremendous amount of publicity, naturally. And I'm sure many, many people came to the club just because they wanted to make one more trip before the Smith family sold out.

I should, maybe, not comment on this because the entire matter was handled by Mr. Lent, the assistant general manager, but the great big problem was that during the time that sale was pending, and before the \$500,000 was forfeited, were the best months in the history of Harolds Club. In fact, business had been better than it had been [laughing] in any corresponding year. And it was very difficult for them to prove that they had been damaged in the amount of \$500,000. And as a result, there was some kind of settlement made in which Agostini was given back some of the deposit. I don't recall what those figures were.

Then we had many other occasions where we were called in indirectly to act. We had several attempts to unionize the employees. We were called in on more or less of an advisory basis. At that time we had only one union in the club; the bartenders were unionized. And our direct representative was the bar manager, who at that time was [Russell] Russ Nerase. He served on a board with Clint Knoll of the Reno Employers Council and handled all matters pertaining to unionization, or, as a matter of fact, to rewriting of union contracts—. We had a couple of strikes, one over a Fourth of July weekend (I don't remember the year), which proved disastrous. But these matters were left almost entirely in the hands of the Reno Employers Council. And other than maybe an occasional meeting from time to time to be kept up to date on what was going on, I had very little to do with either the labor relations or the unionization matters.

Now, you've asked about the changeover from director of public relations to director of industry affairs. About the time that changeover was made, it was determined that the club needed further departmentation. Prior to that time, I had handled the public relations, but had supervised the conduct of all the promotions, had supervised the advertising department, had done the legislative work (both the city, county, and state and federal level), and it was decided that we should have some additional departments. At this time, too, there was a change to be made in the casino management, itself. Jim Hunter, who had been casino manager for any number of years, was to be replaced by Harold Smith, Jr., as casino manager. And this meant there would be an opening created, necessarily, for Jim.

As a result, I kept the legislative duties, all of the lobbying duties, and all of the pet promotions that I had under my wing, and turned over the matter of tours and public relations to Jim Hunter, and turned over the advertising and publicity department entirely to Roy Powers. The industry relations position actually wasn't much different than the public relations position I had with the club, except that I didn't do as much public relations work, and spent more time on legislative matters. I had kept my pet projects, though, of Monday holidays, and the Pan Am Highway group. At the same time, I had become active in another travel group, the Western American Convention and Travel Institute, which is composed of all of the travel directors of the thirteen western states, and Samoa, and I attended their frequent meetings. They had one purpose for existence only, and that was the increase of travel in the West, so naturally, we were very much interested. I kept my position with that group, too.

But the industry relations job, as set up, was to have more to do with anything pertaining to the industry in general, not just Harolds Club in particular, so that my work was with the Control Board, the legislature, and Congress, of course, on matters pertaining more or less to the industry on a statewide basis. At about this time is when I first became active in working with the Nevada Resort Association in Las Vegas. And this was all a buildup to what we now have as the trade association, the Gaming Industry Association of Nevada. During those years as industry relations director, I don't recall anything of any outstanding interest. Of course, we got the Monday holiday thing through, we worked constantly on the Pan Am Highway matter, but I don't recall any special or notable events during that period. Must've been some.

[Did I develop some new lobbying techniques?] Well, I don't know what you mean by lobbying techniques because there are no cut-and-dried ways to lobby. I don't think any two lobbyists that work in the state legislature or in the national capitol, even, in Congress, have any set pattern of ways. There are some things you never do if you're going to be a successful lobbyist, of course, and number one is to never lose your temper, because things get pretty exasperating. But if you lose your temper, you've lost the cause, generally speaking. I didn't learn anything new because even though I had been out of the legislature since '42 (when I resigned from the Senate to take the Marshal's appointment), I had never been completely away from the legislature and its operation, pretty much so during the years as Marshal, but even then, I was around the state so much and constantly traveling so much that I was in real close touch with the legislators, both senators and assemblymen, all over the state.

But really, I think your most effective lobbying is done, maybe, between sessions of the legislature, and not when it's in session. I don't think any job on earth exists where friendship is more important. By friendship, I mean real, true, down-to-earth friendship. Or maybe it's more—building of confidence, maybe, is a better way of putting it. And there are legislators who I know who have so much confidence in me; there's others that probably don't have any. But there are some who have so much confidence in me that if I were to go over there and tell 'em black was white, that'd be good enough for them, if it was a matter pertaining to our business. I think I could mislead them. I think they have that much confidence in me. But you never mislead 'em more than once. So, unless you're ready to get out of the business, and unless you're ready to retire, unless you feel that you're making your last trip over there, certainly that would be the last thing that anybody in the lobbying business would do, is mislead even one of 'em, or to give them misinformation, because all the money in the world, or all the brains in the world, all the ability in the world wouldn't be worth five cents over there as a lobbyist, if they didn't have confidence in what you said or what you did.

[Two things affected the industry a great deal during those years. One was the inauguration of the "Black Book," and one was the elimination of the silver dollar. Would I like to discuss those things?] Well, when the Black Book came into being it was a good thing for the state of Nevada because it's certain that the people whose names and pictures were contained in that book were not the kind of people that were going to eventually do the state of Nevada any good, or the gaming industry any good. Whether the Black Book has the real value that it's intended to have is open to question, for the reason that

if one of those hoodlums had money he wants to gamble, or if the story is true that they merely bring it in here to "cleanse it" and then go back home, if they don't do it, and if they're prohibited from stepping inside a casino (which, in my estimation, is good), I don't think it's the whole answer to the problem, because if they're prohibited from coming into state, or stepping into a casino, they have plenty of henchmen and friends whose pictures are not in the book that they can send in to exchange their money for "clean" money, if that's actually what goes on now.

Oh, I think the Black Book had maybe a harmful effect on the casinos because these fellows whose names and pictures appear in it have definite underworld connections, and they proved to be heavy gamblers. And through excluding them from the casinos, I'm sure that it did affect the gross volume of business in the places they frequented. Now, they didn't frequent all the places. But I think the operators saw the handwriting on the wall, that that element *had* to be kept out of the state. And even though it hurt, it cost them money, I don't think many of them were resentful. There were cases where some of their closest friends and henchmen were still involved in the ownership or operation of some of the casinos, and they were very bitter about the whole thing. But when they saw fit to openly defy the Black Book policy, as Sinatra did at the Cal Neva Lodge at Lake Tahoe, naturally, he was only asking for trouble, because this was the first real test of the law. And it was upheld, and it was the state's prerogative to try to keep itself clean. It's amazing, really, that the Black Book has not been expanded. And I'm sure that we will see it expanded. I think now the caliber of people that we have operating the casinos are extremely interested in keeping those people out of here. They'd rather have their absence

than their money, I'm sure. And I'm sure that before very much longer—in fact, there's some work going on that I think that you'll see the Black Book expanded to a point where it will not only keep out the underworld figures, but it will be expanded, too, to keep out now those people who are one of our greatest worries, the crossroaders and cheaters, and maybe even, in the not too distant future, still another book, which may be the "gray book," or something else, which will take in the swinging dealers, the thieving dealers, to a point where if an individual has been convicted of stealing in a casino, his name would go in the gray book, and he would be prohibited from ever again obtaining a work card to work in a casino. I'm sure you'll see that expanded because the principle of it was right. There was no other way it could be done. It had to be done by regulation. It couldn't be left up to the individual operators.

Going back to the days when that was invoked, there were too many of the operators and too many people and licenses who simply could not be trusted. If you merely said, "We want your security people to keep these people out with no penalties," they'd pay no attention whatsoever. So it was a necessary—it was a compulsory move, really, on the part of the state, and the very first step toward getting rid of the undesirable element that we had permitted to operate here.

The other thing that hurt during those years tremendously was the loss of our silver dollars. And probably it hurt the gaming industry less than it hurt anyone else, although it hurt. And that came about as a result of a talk to the Rotary Club in Reno by Eva Adams when she was Director of the Mint, in which she was carried away, I think, with an idea; she wanted to make a point, for which no one can blame her. She wanted to admonish us that we'd better be prepared for a surprise, but she

went a little bit overboard, maybe, in saying that silver dollars were on their way out, that it would be a very, very short time, that there would be no more minted. Congress frowned on them, they were only in use in a few states in the Union, and that it was only a matter of short time until there would be no more silver dollars minted.

Immediately, we were just swamped with requests for silver dollars from collectors all over the country. In our case at Harolds Club, we carried a reserve of about a million dollars in silver dollars. They were used on *all* of the tables. And one of the best slot machines in the house were the silver dollar slot machines.

A week or two after Eva had made her talk to the Rotarians, we were losing silver dollars at the rate of about \$60,000 a week. There wasn't any way to control it. If customers were standing by a row of dollar slot machines and wanted to buy five rolls of dollars, twenty dollars to the roll, and if there were ten people there, and they all wanted five rolls, there wasn't very much you could do but sell them to them. You had no way of knowing whether they were collectors or players. And it turned out that they *were not* players. At about this time the story came out that the price of silver was going up. And I think this, really, is what caused people to start hoarding silver dollars. They were just picking them up as souvenirs early in the game. But when the word got out that silver was going up—and I had a mining man tell me that, "You should buy all the silver and all the silver certificates you can because it won't be six months 'til the silver'll be five dollars [an ounce]. When it goes to five dollars, your silver dollars're going to be worth at least four dollars." So it was the hoarders, finally, that caught up with us, and completely, with a very few exceptions, I think, just absolutely cleaned the state of silver dollars.

It was a blow to the industry because it meant converting the dollar slot machines. It meant that we couldn't use dollars, didn't have dollars to use on the tables, and most everyone gambled with dollars in those days. They had to be replaced with dollar chips, or finally, with tokens. We were given permission by the Treasury Department, through prior approval and submitting of a sketch and quite a little red tape, to mint our own tokens to replace the silver dollar. But the machines did have to be modified, and it was quite expensive. And whether or not there was an actual reduction in volume to the casinos as a result of that action, I don't think anyone can ever prove, because the gross volume has gone up every year, including the year that silver dollars disappeared.

But the people who suffered, really, were the dealers, the cab drivers, the waiters, the waitresses, that a silver dollar was just a natural tip to leave. And it had to have some effect on gaining, too, because if you had four or five silver dollars in your pocket, you'd be more inclined to go over and drop one in a slot machine, or even play one on the number on the roulette wheel, or play a hand of "Twenty-One" than if you had to go over and break a bill. It took a long time for Nevadans to get used to those dollar bills. And we never did treat them the same, handle them just the same as we did silver dollars. So it had a bearing on the entire state. Though I say the statistics don't prove that it had any drastic effects on the casinos volume, it certainly did have a drastic effect on the tips or tokens for those people who were dependent upon tokes. They were receiving two quarters or a half-dollar, where, normally in the past, they received a dollar. So I would guess that for some time, at least, it probably cut down tips by, maybe, as much as fifty percent, and maybe more.

Well, during that period when we saw we were in trouble, we were in constant touch with the Senators. We were never able to get even the slightest bit of encouragement, that there would be more dollars minted. They worked hard on it, but actually, I think, if you take fifty states at that time—Montana, Wyoming, and Nevada were very much in favor of the retention of silver dollars, or of continuing the minting of them. No one else was. And particularly, I remember Wilbur Mills, who, in the Congress, just felt that that was the *greatest* waste of silver, and the greatest waste of the Mint's time. They were expensive to ship. Well, in those days, no one was thinking about using a nonsilver dollar, some kind of a coin with no silver in it. We were concentrating on the resumption of minting silver dollars.

Then, to put it to rest for once and for all, you will recall that about a year later, maybe in '65 or '66—'66, I believe, that Congress passed an act prohibiting the minting of silver dollars. So, from there on, there was very, very little chance of ever again having even a silverless coin until the matter of an Eisenhower memorial dollar came up, which was supposed to be a hundred or a hundred and fifty million collectors' items of sterling silver in mint condition to be sold at ten dollars apiece, or some such a matter. Well, the way the program turned out, they do have an Eisenhower dollar, mint condition, to be offered in mint condition at ten dollars, or regular mint run, at three dollars. However, these are not silver dollars. They're forty percent silver, have a silver cover on them, clad, but they're sixty percent copper. So the sterling silver dollar never did come into being. Now, we still have high hopes that, starting this fall, the sandwich-type, silverless Eisenhower dollar will be made available to us in whatever quantities the bankers feel we need.

Well, I got the banks working on that now. Hell, I've already been advised that if there isn't a greater demand for the silverless dollar, there won't be any. Nobody wanted 'em, except us. Then miraculously the silverless Eisenhower dollar was made available to us in the fall of 1971.

Well, the political end of the operation can be summed up rather briefly, really. Because as long as the Smith family owned Harolds Club, they were interested in one thing, and one thing only in the political game, whether it was at the city, county, state, or federal level, and that was to have a good, solid, honorable, honest individual elected. They always played both sides of the fence. If, for instance, McCarran was running and he knew he couldn't be beat, there was no one in the state that could beat him, he always got a sizable contribution; he was very close to Mr. Smith. But it didn't matter who ran against McCarran, he'd get a contribution, too. They would never permit any political activity within the club. A candidate could walk through, but such a thing as an individual taking him by the hand and taking him around and introducing him, that was strictly taboo, except with a very few of the people in the office end of the business. They *had* to be vitally interested in politics, because even way back when I first joined them in '52, and even prior to that, there have always been people like [Joe] Matthews that started the antigaming petitions around the state. It was just human nature, naturally, for them to want to protect themselves against that type of individual. There were very rare cases where they actually felt obligated to work against somebody that was running for public office.

I recall in the Malone—who the hell did Molly beat? When Molly was elected, who did he beat? In his initial race [in 1946, he ran against Bunker]. Somehow or other, Mr.

Smith got the word that Malone was one hundred percent for keeping Nevada as it was, whereas he wasn't too sure about the other candidate. And if it was Bunker, of course, the concern was because of—and I'm not too sure that that's the campaign that I have reference to—but the church connection worried Mr. Smith, not because he was an atheist by any means. He was a real strong church man; so was the entire family, all the rest of them being Catholics.

[Maybe I am thinking about the Mechling campaign, when Malone beat Mechling, in '52?] Yeah, 'cause I don't recall that he ever opposed Bunker. If he did, of course, it was because of his not knowing exactly where the Mormon church stood in regard to Nevada gaming. But that's one of the rare occasions when they really came out because they felt they had everything to lose and nothing to gain if Malone didn't win.

So it was a rare occasion when the Smiths opposed a candidate. And it was the usual standard pattern that everyone who came in was given some kind of a contribution. Most candidates would come in before the primary, and there'd be, oh, dozens of them. In the first two or three years I was at the club, Mr. Lent handled those completely. After about the third year, I would guess, I handled all of them. And in all political contributions that were ever made, and all the years I handled them, when we sat down with a candidate and made him a contribution, we merely said we wanted to help him and wished him good luck, that the contribution was being made with absolutely no strings attached, except one, that if we found ourselves in trouble, we would expect the door to be open for us to sit down and talk with them about our problems at any time. And that's the only thing they ever asked, that if we didn't have a good, sound case, they were entitled, of course, to their

own thinking. But under all circumstances, we wanted them to know our side of the problem. And this worked very, very well during all the years that I was there.

It wasn't so much the political candidates, as others, that would take tremendous advantage of Mr. Smith. They knew, for instance, of his real, sincere belief that we were losing ground fast to the Communists. Anybody that had any kind of an anti-Communist campaign of any kind—and generally, this was a college professor, or it was an individual promoter of some type, and there were many of them over the years—they would come in, and he was more generous with them, always went into those things with his personal finances, not with club money. But he fought Communism twenty-four hours a day, as long as he was alive, to a point, really, where at one time, he founded the All American Society, which was intended originally to be national in scope (it never got that far). But he encouraged members or employees of the club and other local businessmen to join this association, and he provided financing to the tune of thousands and thousands of dollars personally, and had all of us employees signed up as members, providing us with a little membership card. The sole purpose of the organization was to fight Communism on every hand. He had people come in, such famous personages as that FBI agent in Texas that—who is the strongest Communist fighter? [Dan] Smoot, yeah. He had him here on several occasions, and also a gentleman by the name of Hunt from Texas, who was a strong anti-Communism man. I don't think Raymond I. Smith was afraid of anything else on earth. But he *was just scared to death* that the Communists *were* going to take over, not during his days, but before his children or grandchildren were raised. And he knew, too, and remarked often, that should they

take over while he was still living, why, he'd be one of the first of those marked because of his strong opposition. He'd be one of the first marked for oblivion when they took over the reins.

Generally, in the federal campaigns, federal elections, he was quite active, and it was not uncommon to put, oh, as much as \$10,000 into primary or general elections, scattered amongst the candidates. He always had a favorite one who'd get a club contribution, but he'd also get a personal contribution from Mr. Smith. And in the state elections, he was vitally concerned in the governor's race at all times, didn't care too much about the cow county representation—didn't worry too much, I should say; he did care. But he always had great confidence in the cow county people, that, Lord, they were all honorable, upright-thinking people, and they didn't have to worry. No matter who they sent, they'd be fair. He didn't feel that way about Washoe and Clark County, naturally, because of the many things that *had* happened, and the many things that *were* happening, which would have been tremendously detrimental to gambling.

Now, in the early days when I was there, most of these promotions or programs, antigaming programs, were carried on more or less undercover, behind the scenes. They were word-of-mouth, or whispering campaigns, until Matthews got into the picture. Matthews was the first one who ever came out openly and used the petition route to give us trouble.

We had very, very few problems at the city and county level, politically, asked no favors, and, generally speaking, received none. We did have a very close contact as long as [George A.] Pop Southworth was on the city council. Pop and Raymond I. were very close friends, had been from the time Pappy opened the "hole in the wall." And at the city level, any

problems, generally, with the assistance of Mr. Southworth, were ironed out satisfactorily.

[That was true of Charlie Cowan, too?] Yes, it was back in those days, yes. Well, of course, it was Charlie's ward. Charlie had the third ward, which constituted the area in which the club was located. So between the two, they were generally successful in having things worked out to where they were at least livable.

During the legislative sessions, it was no secret that Walter Cox, who was at one time a state senator and editor and owner of the Mason Valley News, worked very closely with Mr. Smith, not in the true sense as a lobbyist, but as an advisor to the legislators on what Mr. Smith's thinking was on matters pertaining to gaming or pending legislation pertaining to gaming. It was not uncommon for Mr. Smith personally to go over and appear before committees, and this was really better than any three-ring circus you ever saw, when he went over. He had a tremendous sense of humor.

The only big battle he ever lost was when the gross tax [increase] went in, and he really felt bad about that. He did appear personally, he did point out that he felt it was going too strong. He reminded them that he was the one who approved first—and the only member of the entire gaming fraternity that ever approved the one percent gross tax when it went in, feeling that it was fair, and something they could stand. But he was really concerned about the three to five and a half percent scale that was proposed, in '59, I think. But he was actually heart-broken over that because it was the first time that he had ever gone over and really reasoned with the statesmen and had completely lost the battle. Actually, the legislation on the five and a half percent bracket only affected him. It was the only club in the state large enough to come

under the provisions of the five and a half percent gross tax.

So this did hurt his feelings tremendously, and he, as a result, felt obligated to discontinue the scholarship program at the University. But it went deeper than that. He lost a great deal of respect for the legislators as a result of that action. And it became more and more difficult every state election to get him enthused over political contributions. He had just lost his interest. It didn't make any difference how well you treated them, or how well you treated the public at large, as far as the legislators were concerned. They didn't listen to reason when he wanted them to listen to reason when he felt he had a just cause. And so the contributions did decline, although they were still made, up until the time he sold—or, up until the time I left, which was shortly before he sold out to Hughes. He still made contributions to almost everyone—I have to say almost because there were occasions when someone who was completely not acceptable might come in, and he may have turned them down. But generally speaking, he took care of everyone that came to see him about an election contribution. I think that about covers that campaign.

Well, I don't think there was ever any specific resentment of the people who proposed the legislation, because actually, the sponsorship was, I think, pretty evenly divided between young Howard McKissick, Howard McKissick, Jr., and Gene Evans, who at that time was representing Elko County. But also, they got tremendous support in the Senate from E. L. Cord and from Ken Johnson. I don't think he ever felt any particular individual resentment toward the drafters of the legislation, or those who pushed so hard for it. As a matter of fact, I'm sure that Ken at that time was a licensee and was involved, too, but, of course, under only

the three percent bracket, I'm sure; I don't think he ever got above that.

But the thing that really hurt his feelings is that he, of all people, who had done more for the state of Nevada than any other person or any other group of persons in the gaming industry, would be singled out for a heavier tax than anyone else in the state, just because he was big. He was penalized for being big. In any event, I had never heard him talk disparagingly about McKissick. And he and Ken Johnson, up to his last days, were very close friends. Ken used to stop in, visit with him. So I'm sure there was no personal resentment toward the introducers. It was the will of the legislature. It was their idea, probably. But I'm sure he always felt if they hadn't proposed it, somebody else would have proposed something else. They just had their heart set that the gaming industry had to pay more money. They had kicked around a lot of other ideas before hitting on the gross tax, which they felt was the fairest way to do the job. And they may have been right.

It's a very unfair tax, even though the industry lives with it and doesn't say much about it. It's a tax that you continue to pay during the winter months when you can't even break even, and yet you pay it on every dollar you take in. It has no regard to whether you're operating in the red or the black. You still pay the tax. And as a result, there isn't a casino in the state of Nevada that doesn't come into the spring months very deeply in the red ink. And it takes, generally speaking, til, oh, the middle of June or the middle of July for them to have made enough money to wipe out the loss that has been incurred during the fall and winter months.

And when that tax went in, we operated on a much shorter season than we do now. We pretty much set the season ourselves, like they did every place. The season, the "tourist

season," as we used to call it, was Memorial Day 'til Labor Day. So everybody started laying off help and closing things up right after Labor Day. Well, we found that it could be extended, and that situation no longer exists. And business now remains fairly good clear up into November, November fifteenth, depending on when the first snow storm hits, generally. But back then, if you didn't start making money 'til the middle of July, you had only until about the tenth of September to rake off the cream. And then you, again, were operating in the red. So it's unfair. It still is a very unfair tax. However, nobody's ever come up with a fairer tax that would raise that kind of money. I think that covers that.

[Did I want to talk about *I Want to Quit Winners* and the promotion of that?] Oh, really, there isn't much to say about it. How Harold Smith, Sr., got next to, or became acquainted with John Wesley Noble, I don't know. But John Wesley Noble, who wrote *I Want to Quit Winners*, was working, I believe, for the *Oakland Tribune*—a Bay paper, anyhow, when Harold contacted him. Now, Harold is unquestionably the world's greatest egoist. And in talking with John about his history and the possibility of writing a book, John encouraged him no end, that what kind of a story he had to tell, he had a best seller for sure. So he encouraged Harold to go ahead with the book.

The book did sell pretty well, the first print. However, when sales began to drop off, then we gave autographed copies of the book to anybody that even showed an inclination to buy one, or to many, many people that had never shown any inclination. We had mailing lists that books were mailed to people all over the country. Now, it was a different kind of a book than any of the other books, like *The Green Felt Jungle*, or any of those, *Play the*

Devil, or *The Art and Skill of Gaming*, or any of the other books that had come out on gambling, most of which were derogatory in nature. Harold's book was not exactly in defense of the industry. It was a history of his life in the gambling business. But the underlying theme of the whole book was to show how much smarter he was than the average individual, and the fact that he was successful in gaming because he had the gift or the blessing of having extrasensory perception, ESP. He brings this out in the book very strongly in any number of places.

Actually, I would doubt that the book itself ever did anything for Harolds Club. It certainly did a lot for Harold, Sr.'s ego. But I don't think it did the family any good for the reason that he used it as a vehicle to downgrade his dad and his former wife and the other people who actually had helped him be successful. I think there was more resentment toward the author and Harold, Sr., over the fact that he used it as a vehicle to downgrade members of his own family just to make himself look good. So I doubt that it ever did the club any good. But, because of the giveaway program, there isn't any question that probably it had as good a distribution as any book other than the Bible during the few years that it was being distributed. 'cause if they couldn't sell 'em, they gave 'em away. They got them in circulation.

But there is an interesting thing about this. I think anyone reading the book would be convinced—and I'm certainly not plugging the book, or encouraging anyone to buy it. I think you'd be convinced that the man had ESP. However, if anyone who had ESP to the degree that Harold claimed he had, I can't understand how he could possibly stand at a table or sit at a table and lose thirty or sixty thousand dollars at one sitting. The ESP just simply couldn't've been working.

And there's a pathetic part of this whole episode, I think, and that is that *I Want to Quit Winners*, being the title of the book, would indicate that, at least here it's written by a man who has made millions of dollars in the business, and who, by golly, is going to keep it. I don't think anything could be further from the truth, because in this particular case, I would predict that Harold dies broke. I've heard a rumor within the past week, and it's only a rumor, that he has dropped \$260,000 in one week. Well, even a millionaire can't stand that. So it will be rather pitiful that, after all this national-international publicity on his ability to play and win consistently, it could very well turn out that his children support him in his old age. So much for the book.

[One of the things that I haven't touched on is the show business type entertainment that has been so important in the last few years.] Oh, it was important. When they built the seven-story addition to the club, they had never had in mind having entertainment in there. But it wasn't long after they opened that seven-story addition. They had gaining on the top floor, and a bar, a great big bar, a circular bar with railroad trains running around on it; they called it the Railroad Bar. But Harold got the idea of entertainment primarily after watching Las Vegas and seeing what was going on. Lounge acts about that time were becoming quite popular, and that was something he could handle on the seventh floor. So he came back, tore out that beautiful bar, cut it in half, and did away with the railroad trains and moved the bar, making room for the showroom. Now, here again, there never was a show in Harolds Club, I'm sure, including even the lounge entertainment, that ever paid its way. And some of the shows that were booked on the seventh floor were shows that wouldn't have paid their way if he'd had a five

hundred-seat theater restaurant instead of a hundred-seats.

But it had some advantages. One was that we were always at a loss to come up with an advertising theme, something that would be catchy, that would do the job, keep our name before the people, and yet, something in which you'd never mention gaming or slot machines. And this provided an avenue. It did provide something to talk about. And, of course, advertising people loved that. Particularly when Powers came into the picture, why, this was great, because here was something that was acceptable advertising to all media. And true to form, as in the case of everything else, we went overboard. We had advertising appearing in national magazines, which, of course, didn't mean anything to anybody, other than it kept your name before the public. But here again, we got up into a half a million, three quarters of a million dollars advertising budget, which was ninety-eight percent money poured down the drain. So were the shows. When you bring, oh, [Louis] Armstrong, or Harry James, or Petula Clark—we brought Petula Clark, first one to bring Petula into the area—at fabulous weekly salaries, there was just no way under the sun, including the gaming on the seventh floor, that it could ever break even.

Mr. Smith, Raymond I., saw this after a short time, and did everything within his power to stop that unnecessary expenditure of money. It was creating, I guess, a little bit better image of Harolds Club than they'd had before, but it was costing so much money that, several times during the years I was there, he actually closed the seventh floor. But Harold, Sr., would prevail. He had a way of soft-soaping his dad, that he could get around him on almost anything, and the seventh floor would reopen. Finally, however, the day came when Pappy put his foot down and said, "It

might be fine, but if this is what it takes to build our image, we're just goin' to have to leave our image where it is because we just can't afford this continual drain." So he was successful finally in curtailing the advertising and curtailing the kind of acts to a point where it was something the club could continue, expensive as it was, but still could afford it.

The matter of booking entertainers, of handling them while they were in the club, making arrangements for their rooms was reserved *entirely* to Harold Smith, Sr. No one else ever dared even talk about what we should have up there, what we should do up there. This he reserved entirely for himself. This was one of his pet projects, and almost became a hobby with him. And he lived it twenty-four hours a day. But it could've been—and would've been—the financial ruinization of the club if it hadn't been for Pappy keeping it under control.

Well, I suppose the showrooms in Vegas now probably are coming close to breaking even. Some of them at today's prices might even be making a little money. But that wasn't the reason for their coming into existence. The reason was [that] that was the come-on, that was like the barker at the sideshow. What you were doing there was purely and simply to get the people inside. And this is the way entertainment started, that it was a means to an end; only then, it, of course, got completely out of hand.

6

SPECIAL PROJECTS AND PROMOTIONS, 1952-1971

TOUR PROMOTION

I can give you a little of the mechanics of the [tour promotion]. We saw the handwriting on the wall back in—well, actually, after they had completed construction of the lodge, that here, now, we finally did have rooms, a place to put our customers. It had been rather embarrassing prior to that time to bring groups to Reno and house them in a hotel with gaming. And there really weren't any decent motels that you could put them in. Besides, the kind of people that they wanted to bring in were not the kind of people that would stay in the 1952 version of a motel. So it was proving rather disastrous to bring the groups in and house them in hotels that had casinos. It wasn't long until we found that people, generally speaking, play where they stay. So they were coming in maybe with us paying the airlines fare, and maybe even buying their meals, but with the customers doing their gaming in other casinos, hotel casinos primarily.

And at about this time, package tours were coming into their own, anyhow. There's a tremendous advantage in moving groups on package tours, particularly by air. And we always pushed the air tour because you do get a better class of person. A greater percentage of people fly today than flew back in '52, when we got in the tour business. But in those days, the very fact that a person flew was pretty much a sign of affluence. You knew that they were a better type of customer. They always carried a pocketful of credit cards, they could always cash a check. So we concentrated on package tours involving airlines to start with. We later got into bus tours and charter buses, and all that sort of thing, which automatically followed.

There're two advantages to package tours tying in with the airlines. A travel agent gets five percent on an airline ticket. And that's all he makes. But if you have a package tour with ground arrangements, and I'm sure in those days, the ground arrangements had to equal the airline fare, or be fifty percent

of the airline fare (there was a formula). But if the package contained the number of meals or room rentals to bring it up to that figure, then the agent, travel agent, not only received the normal ten percent on the ground arrangements, as we called them, but also received an additional five percent from the airlines on the sale of the ticket. In other words, he made ten percent instead of five. So this was a great inducement for travel agents to push a package tour by air rather than by bus or rail, although we tried all of them.

To qualify for a package tour, however, requires quite a little work. You must have your own brochure. It must contain a[n] ITT number, which is only an identifying number of an approved tour. To get this number, they must be submitted to the Air Traffic Conference in Washington, D. C. When you once have secured that number, then it puts you in a position to contact travel agents and stock them with brochures and urge them to push the tour. We even went further than the normal percentage of ten percent on the ground arrangements in that we had a sliding scale, depending on the kind of tour, where we would offer the travel agents an additional dollar and a half, or two and a half, or maybe sometimes more, for booking our particular tours in preference to—well, one from Las Vegas, let's say, or San Francisco, or anywhere else. So we had a very fine working arrangement with the travel agents. And we did work with them from the northwest to the Los Angeles area, and all of the areas in between, including Denver, Salt Lake, and even as far away as Chicago.

The tours were tremendously successful in bringing in people. Whether they were successful financially or not, I was never able to convince myself, for the reason that we'd put together a tour, and then before we could actually put it on the market, we'd have to get

the blessing of the [Smith] family. And the family generosity always showed through. A tour package might've been better than anything that was being offered on the West Coast any place. But before you got through with board approval and family approval, invariably, someone would say, "Well, I like it, except I think we should put in two more nights at the motel at that price," or, "I think we should put in an additional ten dollars worth of chips." They were always so generous in what they included in the tours that I honestly sometimes thought that we weren't even breaking even on them. We were keeping the place full. We normally operated the tours only during the fall, winter, and spring months. We were keeping the place full, we were keeping the help busy, but I think we were primarily trading dollars.

But this became fascinating work, really, because we worked with the top people in the airline business, Bill Patterson, who has been president of United Air Lines, later chairman of the board, and his top man, Homer Merchant. And we worked with Terry Drinkwater of Western Air Lines, and many of the small feeder lines around the West Coast. At that time we had only the Western Air Lines and United Air Lines serving the area, so those were our primary contacts, other than feeders into other cities, where we had set up travel agents handling our tours. But it was particularly appealing to me because it was one of my projects that I was to supervise, and again, it kept me in touch with a wide, wide range of people clear across the country. And it was gratifying to go into a town. If I wanted to talk to the leading travel agent, I might not know him, but either through contacts in the Marshal's office or through other work we'd done, highway work, or something else, where we'd make contacts in many states, it would be possible to go in and call someone by their

first name and say, "Hey, do you know so-and-so in the travel agent business? I'd like to talk to him about setting up an appointment." So it did work out beautifully, and here again, it was an opportunity to meet a lot of people, which I thoroughly enjoyed.

I don't think package tours, as they're known today, are bad. I think they're a money-maker because I think they are controlled to a point. We found out one thing—although I never could convince the family in our tour packaging—and that was that, particularly, bringing people into a gaming area, that they weren't looking for a lot for nothing, although we spoiled a lot of 'em. We gave 'em so much that they expected everything. But that isn't really what they were looking for. What they were looking for, primarily, was something that took care of their airline fare, their ground arrangements, their hotel and their meals, and all of the necessary things, so that they knew, when they came here with twenty dollars or fifty dollars or five hundred dollars in their pocket, that even if they went broke, everything else was paid for and that they'd get home all right. And this was the big reason for people availing themselves of the tours. Originally, we spoiled them. We actually did. We made freeloaders out of almost everybody that came in. They figured, well, if they'll go this far, they'll go a little further. And we did. We invariably went over and above what was promised in the package when we once got them in the club, either in the form of either additional free drinks or additional free meals, or maybe even additional nights at the lodge on the house.

HIGHWAYS

One of Mr. Smith's pet projects, always, was highway promotion. And when I joined the firm in '52, or shortly thereafter, he had

hired a young fellow by the name of Tom Carson to work on the four-laning of the road over Donner Summit. It was impossible for Nevada to ever finance that because we have only ten miles between us and the state line. But Pappy felt that if enough pressure was brought to bear, that possibly California would at least start it. So, after many contacts along the route, and in talking with some of the legislative representatives in California, who were favorable, Carson hit upon the idea and finally approached the Auburn, California, chamber of commerce. As a result, they inaugurated a billboard campaign over U. S. 40, all the way from Reno to Auburn, and with signs facing both ways, eastbound and westbound, depicting a truck going uphill with a string of cars behind it with the legend, "Let's make this four lanes." This was the way you went over Donner Summit in those days. You made no better time than the slowest truck, and that's about what it amounted to because the road was so curvy, so crooked that it was impossible, except in rare, rare places, to pass one of those truck-and-trailer combinations.

Something that probably very few people knew at that time was that the entire expense of that program, which was quite expensive, was borne by Mr. Smith. He paid the entire cost of the signs. They were all baked enamel signs, the best money could buy. He paid the cost of erecting them. That program was amplified. The Reno Chamber of Commerce got behind it to some degree, too. And it, in itself, of course, would never have gotten the job done. But it did result in the state of California providing some passing lanes, or turnout lanes, where the trucks could turn out, and the automotive traffic could get around them.

Then the crowning feature of this whole program was when the federal government

saw fit to go into the interstate highway program, and U. S. 40 was selected as a part of that interstate network. This automatically called for the four-laning. And even though, I'm sure, the signs that Mr. Smith had had erected and all the work that Carson had done between Reno and Auburn had some effect, the decision on where the interstate went was made in Washington, D. C., and not in Sacramento, California. It was made by a very close-knit little group in Congress and was kept pretty much secret until it was announced because Congress knew that if there was any leaks at all on where it might go, that ther'd be so many routes that'd been excluded that would want to be included that they'd never get the thing off the ground. So anyhow, with the advent of the interstate system, Mr. Smith got his four lanes over Donner Summit, and fortunately, lived to see it and went up to the dedication when the Interstate 80 was dedicated.

But with my coming into the office at the club, and with Carson still on the road but working on other projects, primarily distributing literature from the club, I got interested in highway promotion again, having been out of it during the years that I was with the Marshal's office and in the appliance business. One of the things that Carson had done during those years was to have explored the possibility of getting more traffic down here from the northwest—Oregon, Washington, and British Columbia. In his contacts up there, he had met with a group that called themselves the Okanogan Cariboo Trail Association. It was an association some sixty or seventy years old that was founded in the state of Washington long before there were any bridges over the rivers. When they organized, all of the river crossings were by ferry. And they had banded themselves together to push for construction

of bridges over the various rivers in the northwest, including British Columbia.

In the intervening years, the rivers in the northwest had all been bridged, or nearly all (there was one bridge necessary yet between Cloverdale, Washington and the Oregon border, Madras area). I had Carson approach the Okanogan Cariboo Trail Association on expanding that thing further south, maybe even as far south as the tip of South America. They already had become known as the "U. S. 97 highway group," which projected having the highway finished clear to Fairbanks, Alaska, and ultimately to Nome.

They had pretty near run out of something to do, so Carson and I attended one of their meetings on their annual conventions and laid the proposition before them, that we would merge with them, that we would publish and provide all the necessary maps for distribution up and down the road, and pick up a good deal of the other expense of the promotion if they would join us. Our ultimate goal as far as Reno was concerned, and particularly for Harolds Club, was to have a four-lane highway running north and south on the east side of the Sierra-Nevadas and the Cascades. We checked this plan with military personnel, including the Sixth Army at San Francisco, and we were given *nothing* but encouragement. They felt that in time of real serious disaster that U. S. 99 and U. S. 101 over on the Coast would be so clogged with traffic that it would be impossible to move military vehicles. So they were completely on our team.

We started working on Congress on it at that time, trying to get them to set it aside as a military route, but we never were able to get that off the ground at all. So we proceeded on our own, enlisting the support of the chambers of commerce along the route as far as the Mexican border. We've never

been successful in getting much cooperation beyond there. The Mexicans were very happy to cooperate. They want more roads and more paving, but they want, also, the American dollars to go with the ideas. If the United States will finance it, why, they'll go for any and all improvement. We were never able to get very far with that, but we did print over a period of ten years some eight or ten million strip maps, and had men on the road traveling north and south from Reno, distributing them to service stations, restaurants, etcetera.

Whether or not this promotion had a great deal to do with it is hard to tell, because at the same time we were tying in with packaged tours out of Oregon and Washington, and Vancouver, British Columbia. But business at Harolds Club, as a result of this promotion, from the northwest, multiplied. About the only way you have a chance in a casino of telling where your customers come from—because you don't ask them—is if they use the facilities of the credit office or cash a check with the cashier. And we found that the number of checks cashed from that area just grew and grew and grew over the years. It wasn't too long until the chamber of commerce became aware of this, too, and they, too, started promoting business from the northwest, as a result of the highway promotion work, together with the package tour promotions, and, oh, many other little things, such as entering floats in the Rose Parade at Portland, and (Bill Harrah undoubtedly had something to do with it) sending hydroplanes up to the Sea Fair. But anyhow, we let them know that Reno was on the map, and it was worth every nickel the community ever spent in that type of promotion.

Probably the one *big* thing that the association did—and it's still in existence and going strong—during Lyndon Johnson's term as President, when he saw fit at one time to

freeze all highway construction funds, was that we've been given credit, in the Pan Am West Highway Association (which ultimately became the name of the group), by many, many state highway engineers as having moved Congress into action on that problem. Here we were, not only the Western states (that was our primary concern), but all of the forty-eight states were at a point where they were having to let their engineers go. They just couldn't keep them, they had nothing for them to do, they had no funds with which to pay them, they were reducing their highway department personnel down to skeleton crews. And we of the Pan Am Highway group contacted every known road promotion group in the United States and urged them to forward a resolution to Congress, to the Bureau of Public Roads, to the President himself, pointing out that this was, in fact, a violation of trust, that this is' something that couldn't—simply couldn't be done. It was being done in the interests of assisting or helping to build the economy, when, as a matter of fact, it was doing just the opposite. But we pointed out in that resolution that it was a violation of trust, in that the funds that were being frozen were in a trust fund, and that the allocations were made in good faith by the Bureau of Roads and Congress and that the President *did not have* the authority to freeze those funds. And we've been told by any number of highway engineers that that had more to do with the unfreezing of the highway fund during those years than any other one thing that was done, including all of the discussions on the floor of Congress.

We took in highway associations as far as the East Coast. Every time we could get the name of a new one, we urged them, or in some cases, made special trips to sit down and talk with the president or secretary of the group, and urged them to take action. In our own

case here, our state highway engineer told me on several occasions that that was one of the greatest things that ever happened as long as he'd been with the department, and I think he has been with 'em some thirty years.

But the interest in highway promotion still continues, as far as this group is concerned. Unfortunately, there are very, very few people who spend any time or effort in the promotion of highways. Since we started that move in about 1957 or '58, we've seen a great deal of four-laning. Almost all of the north-south highways out of Reno within Nevada are now four-laned. There's been a great deal of four-laning in the Owens Valley area, between Bishop and Bridgeport. There's been tremendous four-laning activities in the states of Oregon and Washington, to the point where, already, we can say that if promotion is continued, if enthusiasm is kept at a high level along this route, that it won't be too many years until we will have a four-lane, limited access highway running north and south on this side of the mountains.

MONDAY HOLIDAYS

At about this same time, there was another promotion in which Mr. Smith got vitally interested. I happened to notice one time in reading the minutes of a meeting of the National Association of Travel Organizations [NATO], that a great deal of discussion had ensued during their convention in regard to Monday holidays, which was a plan that they had toyed around with for ten years or more. I wrote a brief note to Mr. Smith and asked him if he felt that it had any merit, pointing out to him that what they were proposing to do was add three or four additional nonreligious holidays—or place them in the same category as Labor Day, falling on a Monday. Regardless of when they fell on the calendar, the

observation would be on the closest Monday. He grabbed the idea immediately and said, "I want you to do everything you can. I can tell you that if we could get such legislation on a national level, it would be worth at least \$50,000 a year to this club."

I joined the National Association of Travel Organizations as a result of that, and attended my first convention in Jackson Hole, Wyoming, where, during a directors' meeting, at which I'd asked to appear, I made a strong pitch for the enactment of Monday holidays. The directors were noncommittal and nothing happened that year. I followed those conventions around from year to year, going to New York City, to Dallas, Texas, to Miami Beach, to Seattle, to San Francisco, to Las Vegas, and made a pitch at every convention to further the Monday holiday plan. Finally, we asked for a resolution from the floor of a convention at Boca Raton, Florida, back in about 1960, that the directors were to be directed to make the Monday holiday plan their number one project for the ensuing year. Even though the resolution was unanimous, and the board of directors were directed to proceed, nothing was done during that year either.

So at the following convention, I had arranged in the meantime for a little flip chart that showed the holidays as they fell for the next ten or twelve years, and what the calendar would look like if they were to fall on Monday, such as was proposed in the Monday holiday plan. I made a presentation using that flip chart not only to the convention that year, but then, to many, many other gatherings, including a meeting of the National Restaurant Association at McCormick Place in Chicago. And we had an audience of something like 10,000 people.

I had opposition from the state tourist director of Colorado, a fellow by the name of Lou Cobb, who said, and actually felt, that,

"If you permitted people throughout the country to have four long weekends during the year, they would completely dispose of the expendable income to a point where they wouldn't be able to take summer vacations." This idea, unfortunately, was also shared by a fellow by the name of Mr. Ralph Thomas, who had been the first president of NATO, and who headed up the All-Year Club of Southern California. Thomas never cared to debate the issue. He merely worked quietly with the members of the board of directors. But Cobb and I debated this at several different places other than McCormick Place in Chicago. He admitted, every time after we made an appearance, that he was whipped, that he was sure we were going to win, but he was going to continue to fight it.

Finally, the board of directors of NATO agreed to take it on as the number one project. The opposition from the calendar manufacturers had almost disappeared when we agreed to make the effective date of it probably two years hence, so that it would give them a chance to get rid of their preprinted calendars.

So we formed committees all over the country to introduce Monday holiday legislation in the state legislatures, but it didn't work well. The only way we could get it through any legislature was to make it effective if two or more adjoining states adopted similar legislation. And we did get it through a few state legislatures, but we never got the two or three adjoining states.

Finally, in desperation in '67, we approached Congress on making it a national holiday. And they explained to us that setting of holidays was a state's right, and that they could only legislate for federal employees. Well, we said, there was nothing wrong with that. Why not do it on that basis, and then get the states to ratify it?

It was defeated in '67. But in '68, it was again introduced, and there was, by that time, considerable support for the plan. The legislation passed congress finally, in '69, almost unanimously (there was very little opposition), to become effective January first, '71. That would give the calendar manufacturers the two years to move their preprinted stock (mostly of calendar pads), and also would give the state legislatures two years in which to ratify the action if they cared to do so.

During 1970 and '71, about forty-seven of the fifty states have ratified it, so it is now national in scope, and will have tremendous advantages to the state of Nevada, to the working people every place, but to business in the state of Nevada primarily. I've said all along that no one will really appreciate what we have in Monday holidays until we've experienced one year, the year 1971, and after they've seen what it amounts to, that there will be additional nonreligious holidays added to the Monday holiday plan.

It's hard to conceive that there would be opposition to a Monday holiday plan. We anticipated some opposition in the early days from, oh, maybe such people as the National Safety Council because the history of long weekends and resulting fatalities had not been good. However, as we got into the program, we found the VFW opposing, the American Legion opposing, and they were opposing only because one of the holidays to be changed was Veterans' Day. We finally whipped them into line completely through just commonsense reasoning, that the date on which Veterans' Day was observed had pretty much lost its significance, that, actually, to World War I veterans, it was a pretty sacred day, the eleventh hour of the eleventh day of the eleventh month, and we could see that they weren't going to give up without

a struggle. But to World War II and Korean veterans, Armistice Day didn't have any meaning. So finally, when it was decided at the national level to change it to Veterans' Day, it honored veterans of all wars, clear back to the Civil War. And so the actual date on which it was observed had no real significance. And they finally bought it, and that was the end of the opposition from the Legions, except in some isolated cases, Nevada being one, where the local posts took exception and pretty near threw a monkey wrench in the machinery in getting the Nevada legislation passed.

But we had opposition, too, as we had anticipated, from the National Safety Council. And they are a pretty strong voiced operation in all forty-eight states, and we didn't know quite how to combat that. Their contention was, of course, that we'd be killing all the people off through long weekend fatalities, highway accidents, traffic, aircraft accidents, that sort of thing. Finally, through the AAA, through our local connections, and then going right on up the channel to national headquarters, they did some research work. Their figures were convincing enough that the National Safety Council completely dropped their opposition because their findings were that, percentagewise, the number of traffic deaths on a long weekend were less than they were on a normal week day, much less than on a normal weekend or just a two-day weekend. So, with the National Safety Council dropping their objections, this brought us a tremendous amount of support in Washington.

We did have opposition, too, from the DAR. They felt that we shouldn't mess with Memorial Day. Memorial Day was to be switched to the last Monday in May. We convinced them, finally, that Memorial Day, as such, really didn't mean anything. It was originally designated to honor the Civil War dead from the Northern army, and as a result,

the South would have nothing to do with it. And we pointed out that Memorial Day is observed in every state in the Union, but in the Southern states, it's observed all the way from April to July, no set date, and that we would be doing all of those who'd passed on, veterans and others, a greater service if we simultaneously honored them nationally. And with this argument, they dropped their opposition.

It just so happened that the timing on everything couldn't've been better. Through attacking it at the national level, and then, through receiving the support of several strong senators and strong congressmen, and then, with their suggestions of where we might turn for research, the pieces all fell into place just like a giant jigsaw puzzle. It was—and had to be, of course—a national program to be successful. We had no great amount of money to spend on the matter, so we had to depend on others to do our research for us, and it all came out all right, even though, when we went into it, it looked absolutely hopeless.

So, as a result of my activities in that, I became known as the "Father of the Monday holiday plan," nationwide. At a convention of the NATO group in Las Vegas, I was asked to appear and told to wear a tuxedo (which I normally had done at their regular banquets, anyhow). And at that time I was given a citation, at the annual banquet, in the presence of some six or seven hundred of the travel-minded people in the country, which was one of four citations that had been given by NATO during their some thirty-year history, in which they commended me for the many years I'd spent in pioneering the idea of Monday holidays. And it goes without saying it certainly was one of the highlights of my life.

Well, actually, I suppose the person who should've gotten the award on the Monday

holiday program rightfully should've been Raymond I. Smith, because it was his money that I spent, maybe somewhere in the neighborhood of \$50,000 or more over the years, traveling, hotel rooms, and entertaining people in various cities. But at several stages in the game, he lost patience with the NATO group. They were moving entirely too slow for him, and it was always a matter of money. They were an organization dependent upon their members, strictly, for financing, and their membership dues were about a hundred dollars a year, and they had many other programs going. So on several occasions, he urged me to present a plan to them to let him finance it, and he would raise some money elsewhere in Nevada, if necessary. And I had no idea what kind of money we were talking about, really, to finalize the plan. We did, at one stage of the game, have [Thomas C.] Tom Wilson, who was our local advertising agent, explore the possibility of getting such a bill enacted in the California legislature. And the word came back to us that it could be put through, in the estimation of a public relations firm in California, but that it would cost in excess of a half a million dollars. I doubted very much that, on a national level, there would be any need for any great expenditure, but it would be necessary, of course, to finance the travels of some individuals to the various state capitals. And I'm sure that fifty to a hundred thousand dollars would have been, probably, a more realistic figure of what it would have cost on the national level.

But in talking with some of the other proponents, they bought my thinking completely, that if it were to be financed by Nevada, with its legalized gaming, it would probably be really more difficult to sell, particularly the Bible belt. And we needed those states, too. We needed thirty-four states for ratification. So after carefully thinking

it over and talking it over with others, we decided that it was much better that Nevada money not be the sole source of financing. I think probably the only Nevada money that was directly spent was that we did print up, at our expense, quite a number of little simple, plain brochures explaining Monday holidays, which were used by the national association in their mailings.

But even though there was a difference of opinion, I feel that everyone, certainly, in looking at the matter, would determine that Nevada would be, by far, the greatest beneficiary because, primarily, of our entertainment and gaming, and that to put the stigma of it being a Nevada project on it might even have delayed the passage of the legislation instead of having waited to a time when we found, actually, that additional financing in any amount was not necessary. When it came time to ratify the federal law, we found enough already permanently employed people, primarily with the airlines and with the hotel chains, that delegated a number of state legislatures to one or more of their full-time employees, and they, in turn, acted as regional coordinators and worked with the local coordinator in each state. And as a result, the expense, actually, of the ratification was practically nil.

MOVING FROM HAROLDS CLUB TO OPERATION OF THE GAMING INDUSTRY ASSOCIATION OF NEVADA, 1965-1971

OBSERVATIONS ON STATE CONTROL OF GAMING

From '59 on, the gaming industry's problems with the state government and state agencies became more complex, because with the setting up of the Control Board and Commission, there were regulations to be adopted, as is typical of any new legislation any more. The bureaus are set up, and then the matter of regulations are left pretty much to the bureaus. Unfortunately, this is the way the national government works, and it's gotten down to where, as far back as '59, that's the way the state government was beginning to operate, too, that they didn't write into law what the bureau or agency was supposed to do, but rather, created it and then gave them the authority to write their own rules and regulations. This presents many, many problems. Particularly, the jobs being as they are, political appointments, and with an occasional changeover with a change of administration, then you get all kinds of different kinds of solutions to

different problems; and with a change of administration and a change in the Board and Commission, you naturally, then, also can expect any number of changes in the regulations. And this has become an almost full-time job, to keep track of what the thinking is on the part of the Board. They have expanded, they have more personnel than they used to have, necessarily so, because the business has expanded. They've needed more investigators, they've needed more auditors. But as they've expanded, it's become big business, and is much harder to control than it was when gaining was a small operation.

The matter of regulations is always one on which we can expect differences of opinion. I've said before—and I will say, I hope, many, many more times—that the gaming industry is composed of, I think, some of the most rugged individuals on earth. They all have their own ideas of what will work and what won't work, what will be successful and what would be doomed to failure, and this has carried through even into the writing of regulations governing the business.

Regulations are necessary, and I've been a strong proponent of the strongest possible kind of state control of gaming. When we relax control, we weaken the position of gaming, and the likelihood of, someday, having it abolished. So it has been, for all the casinos, a continual worry of being presented from time to time with new regulations. Prior to '65, it was even a greater worry than it is now because the casinos, themselves, had no centralized place, such as a trade association, where these matters could be handled. The same is true of the ramifications that we run into with the federal government. If you have thirty-six casinos in operation, you probably had in those days thirty-six different ideas of how things should be done. This picture has somewhat changed for the better with the formation of the Gaming Industry Association.

We have talked from time to time in surrounding states of the threat of legalized gambling spreading. I personally don't think that we have much worry. We may have legalized gambling in some limited form in, I would think, maybe, every state eventually. Every state is screaming for additional funds. They look at Nevada and how easily the state picks up forty or fifty million dollars a year with no effort, and with most of it being paid by visitors. And as a result, every year, there are more and more states introducing legislation. I doubt that we'll see full-scale gaming in any nearby states, at least (but maybe some East Coast states, maybe Florida), for the reason that I think they would find it too difficult to control. The history of Nevada contains the names of all of those who've been involved in gaming. The gaming industry itself contains many, many people who've had twenty-five or more years of experience in the business. Ninety-nine and nine tenths percent of them are basically honest. It would be impossible, I

think, for an adjoining state or a nearby state to find capable, honest supervisory personnel in the first place. In addition, we have over one hundred years of experience in gaming here in Nevada. And in the second place, if it is going to be gone into, it will probably be gone into on a state-operated basis, such as the state-operated lotteries. And if that's the case, then it becomes a political football. Were gaming legislation to be enacted in a nearby state, or in any state, I believe it would be very short-lived for the reason that they would be dependent upon Nevada to a great degree for good, qualified, honest operators. And I would doubt that there would be enough people willing to leave their investments or their secure positions in Nevada to take on something elsewhere.

We've been fortunate, in our control of gambling in the state, in having the governors over the past who realized the tremendous importance of gaming to our economy. As a result, generally speaking, the appointments to the Control Board, and especially to the Commission, have been some of the finest people in the state. And as a result, they have been above reproach, and there's been no scandal, there's been no under-the-table dealings, and, of course, this has been as it has to be if we're going to continue legalized gaming in the state.

ORGANIZATION OF THE INDUSTRY ASSOCIATION

[I would like to talk about the early formation of the industry association.] The Gaming Industry Association came into being in the spring of 1965, as a result, I think, more than anything else, of the happenings at the 1965 legislature. Now, not too much real important legislation was introduced during that session as I remembered it. But

Mr. [Maurice F.] Sheppard of Harrah's Club, who was the guiding light behind the Gaming Industry Association, did the lobbying for that club. At that time, and prior to that time, Harolds Club generally had someone over there representing them, if not full time, part-time, generally Walter Cox. Mr. Sheppard generally—or, I think, always, for the previous eight or ten years, at least—had represented Harrah's Club. But it dawned on him finally after this session that every other industry in the state was organized, had a central agency which could speak for the industry when problems arose, and I think, more than that, realized that here was the largest industry in the state, employing more people than anyone else in the state, and we didn't have a trade association, and we were not represented as an industry in the halls of the legislature. Neither were we represented in any way, shape, or form in Washington, that when problems arose, each operator took his own separate path. All of the larger ones had their own CPA firms, they also had their own legal counsel, generally on retainer. And even the counsel for two licensees might be working at complete odds to each other on the same problem. So it appeared to him that there was a crying need for a trade association representing the gaming industry.

During the session of legislature just preceding the start of the formation of the association, Mr. Sheppard had become quite well acquainted with Chuck Munson, who at that time was heading up the state Department of Health and Welfare, and had served, previously, as secretary to the Gaining Commission. He had a good background, even though he'd only been here a few years, having come out from the East to go to work as an auditor or analyst of some kind for the University of Nevada. Shep had great confidence in Chuck, and realized that he

was a man who could handle this type of an organization, probably couldn't put it together, but could certainly do the work that had to be done if and when it was once organized. So he made almost the fatal mistake of single-handedly, without talking to any of the other members, of organizing or setting up the Gaming Industry Association of Nevada, going so far, even, as to adopt the name, hire Chuck Munson as the director, and rent office space in the First National Bank Building.

In the industry, there was great resentment when the word got out that Harrah's Club was organizing this type of thing and soliciting membership from the various other clubs in northern Nevada. There was strong opposition to the move. Harrah at that time was becoming the largest operator, and many of the smaller operators were fearful that he was trying to take over the business. Nothing could've been further from the truth. But as a result, many of the operators—and there's nothing wrong in naming them, because they, by their own admission now, or since then, have admitted that they didn't really understand what was going on. But amongst others, Charlie Mapes [of the Mapes Hotel], and Warren Nelson [of the Cal Neva Club], Sil Petricciani [of the Palace Club], and others just adopted the attitude that, "Well, we weren't in on the original founding of this thing. We weren't in on the selecting of the name. We weren't in on the selection of a director." And their feeling pretty much can be summed up in what one of them said at the time, shortly after the organization, when he said, "You didn't need us when you organized it, so maybe you still don't need us now."

Well, amongst the many, many calls that was made around amongst the industry members (and this became, of course, quite a topic of conversation, that Harrah's was

set out to take over the industry), Mr. Lent at Harolds Club was approached by Warren Nelson and by Charlie Mapes and by others, and urged not to go along with the thing, that after all, it was a Harrah's promotion, and he was only trying to dominate the industry, and that they weren't going to go along, and hoped that Harolds Club wouldn't either. There was nothing but the friendliest of feelings between Mr. Smith and Mr. Harrah. Mr. Lent and Mr. Harrah were also on friendly terms and there was no reason for any hard feelings between them. Now, whether Mr. Lent ever talked to Raymond I. about this matter or not, I don't know. But he did join in with the dissenters and said, after all, that he kinda agreed with them, that if Harrah's had taken it upon themselves to do the organizing, why, let them carry the load on it; they didn't need Harolds Club.

Well, weeks went by in the early spring of '65, and one day, Chuck Munson came in to talk with Guy Lent and showed him just what the association was intended to do, and that it wasn't strictly a Harrah's promotion, that it was something that Mr. Sheppard had thought up and had even gone to the governor (Governor Sawyer, at that time), asking if he would release Chuck Munson to take the position, and merely pointed out that Mr. Sheppard had only done the spadework, the groundwork, on the organizing. And so after a discussion with Mr. Lent, Guy called me down. His office was on the second floor; mine was right above him on the third floor. He called me down and had me in on the discussion and asked me to go over to Chuck's office in the First National Bank Building and see what I could do to help them in the organization.

I met that very day with Chuck and Mr. Sheppard in the office of the Gaming Industry Association in the bank building, and they

outlined to me exactly what they felt the workings of the association should be, and assured me that they did not care to dominate, that they were perfectly willing—in fact, insisted—that we have an election of officers and elect a board of trustees from amongst all of those who did join, and convinced me that what they were trying to do was not only necessary (I was convinced of that to start with), but that it was being done on a businesslike basis, and all that had been done in the past was not harmful, it was only beneficial in that much of the spadework was done. They had the director, they had the office, they had everything but members.

So I reported back to Mr. Lent and told him that I was convinced that it was a real worthwhile and necessary thing. He agreed and gave me permission to spend as much time on it as necessary to see if we couldn't get the thing put together and live down some of this early resentment that had arisen.

After a discussion with Mr. Lent (and I'm sure he talked it over with Mr. Smith), it was agreed that I should spend as much time as necessary in putting the finishing touches on the reorganization. Now, this must've been in late April or early May of '65. I worked almost full time for about two months. As I recall, we called the first membership meeting and election of officers for the month of June. It might've been the tenth of June.

We ran into considerable opposition. We could not talk to the people who had so violently opposed the plan. There were personal feelings between Mapes and Bill Harrah. We weren't able to talk to anybody at the Cal Neva because of Warren Nelson's opposition to the formation of the group. He, in turn, was extremely close to Sil Petricciani and had turned Sil Petricciani against the idea. So there were a number of them that we were absolutely unable to reason with. However,

we did convince Harvey Gross [Harvey's Wagon Wheel] at the Lake, and John Ascuaga [Sparks Nugget], the Commercial Hotel and the Stockmen's Hotel at Elko, the Carson Nugget, the Sahara Tahoe, and enough of the other clubs around the state that we did have a nucleus with which to start. So we did elect our first board of trustees, our first slate of officers. And having worked as the organizer with Chuck, I was nominated as the first president of the group and unanimously elected and served in that capacity for five years.

The matter of financing the organization presented some real problems, because—as I've said before, and will always say as long as I live—the gaming industry consists of the greatest assembled group of rugged individualists that exist anyplace. And they all had their own idea. Some felt that a financing formula should be based on the volume the place of business did. This was objected to by others because they didn't feel what amount of business they did was anybody's business but their own. Others suggested the total number of employees. Bill Harrah, in particular, objected to that method because he prides himself on running the cleanest place in town, and he said, "I shouldn't be penalized because I hire more janitors than anyone else, more than necessary, maybe, but they do keep the place clean." So finally, after working around for days, we did come upon a formula based upon number of slot machines and number of table games, which maybe has some advantages, but at least it was fair to everyone in that the larger places paid more than the smaller places.

We got the thing off to a start on, I believe, officially, the first of July, although we'd been organized quite some time prior to that. We had our necessary articles of incorporation, by-laws, and everything, drawn, and found ourselves on July first, '65, a going concern.

In accepting the presidency of the association, I had assumed it would be like the presidency of most other groups of this nature, no regular meetings. We had set up and made provisions for quarterly meetings of the trustees if necessary, and an annual meeting of the entire membership to be held in June of each year. But it wasn't long, within a week or two, I found that I was practically in a full-time job. had the complete blessing of Mr. Lent, who was my immediate superior at Harolds Club, and the board of directors, the Smith family, to spend as much time as necessary in the conducting of the affairs of the association. And as a result, for the next five years following the first of '65, I found myself putting in at least some time every working day, into the workings of the association.

Even though I had met Chuck Munson only casually while he was working with the Commission, as secretary of the Commission, it didn't take long until we found we were each other's kind of people. We worked beautifully together. I had complete confidence in him and his ability, and he seemed to have complete confidence in me. And it was really a pleasurable arrangement. I didn't spend a great deal of time with him at the legislative session during that five-year period. I did go over periodically. I made it a point always to go over for the opening days, and met the new members of the legislature that were coming in each session, and then went over, in some cases, testified when necessary at hearings, but left pretty much the entire matter of lobbying up to Mr. Munson, with my going over on an average of maybe once a week.

Now, at that time, Mr. Sheppard continued to serve as the legislative representative for Harrah's, and was tremendously helpful to Chuck and to me when I was over there because he'd been there full time for a

number of years. So it made a very workable arrangement with the three of us. At about that time, we, too, had retained the legal counsel of Guild, Guild, and Cunningham on a retainer basis, and Clark Guild, Jr., spent some time around the legislative halls during sessions and was helpful to us, too.

We worked very well together. We had no really harmful legislation passed during the five years. There were some minor adjustments made in the laws. Chuck worked regularly with the Gaming Control Board and the Gaming Commission and was respected and very well thought of by them, so that worked out beautifully. I went over occasionally for those meetings during my years as president. At the end of the first year, that being a nonlegislative year (the legislature had just met in '65), there was, the balance of that year, very little legislative work to be done, but, of course, always the problems that we encountered with the Control Board and the Commission.

I'm not sure. Did we have a special session in '66? I think we did. Anyhow, it seemed like we had one. It seemed to me like three years in a row that we had a legislative session the first three years.

EARLY PROBLEMS

One of the first big problems we had in the association was Matthews* and his petitions. And even though this took an awful lot of my time, I appeared at very, very few of the public functions. Chuck carried the ball completely with the Council of Churches and others, parent-teachers associations, in some cases, teachers' groups that Matthews had brainwashed. And he made almost all of those appearances and did a masterful job.

I recall one time [his] having met with the Council of Churches. And Chuck came

back the next day and we met, and he was to give me a rundown on what had exactly happened. And he said, "Oh, I've never been so humiliated in my life." He said, "I did wear, I thought, the best suit and the nicest tie that I had to this meeting, which was a great mistake, because when we got into talking about the gaming industry and they got to questioning me about this thing or that thing, or something else," someone of the ministers had asked him a question, and Chuck had given them a straightforward, honest answer, which the minister didn't believe. And he said to Chuck, "Do you mean to sit there in your ninety-dollar alligator shoes, and your three hundred-dollar tailor-made suit, and your thirty-five-dollar tailor-made shirt, and your twenty-five-dollar necktie and tell me," and went on with his questions, and this pretty near broke Chuck's heart. And this has been a [laughing] real important thing to me, because whenever I've questioned Chuck about anything that I felt maybe needed some clarification, I have always used that exact wording: "Do you mean to sit there in your [laughing] ninety-dollar alligator—?" Anyhow, it added a little humor to a real serious problem, which, incidentally, Chuck handled in masterful fashion. They had been misled into believing many, many things that weren't true, and it was his job to straighten them out, to see that they had the facts and believed them. And he came up with flip charts that were very, very helpful in convincing people, showing the actual history of the state of Nevada, and particularly the

*Joe Matthews and William Galt circulated initiative petitions seeking to impose a greatly increased tax on gambling; they were unsuccessful in reaching their goal.

taxation of the gaming industry. And that's all he showed 'em, and that's all that was necessary.

The other matter, which was statewide in nature, the Silver State Sweepstakes,* was, again, a real tough one to whip, because they make everything sound so good, everything was a path of roses. And the state at that time—well, [as] far back as I can remember, it was looking for revenue, as they always are. And it was just as difficult as the Matthews petition to defeat, other than we found ourselves with tremendous opposition from the legislature on the Sweepstakes. They had very little confidence in the promoters, to start with, and that was a disadvantage to them, but they were represented by an articulate, suave gentleman, even though he was an arrested alcoholic. I don't mean by the police, but I mean a strong member of Alcoholics Anonymous and a reformed alcoholic. But he did have a personality that, had he headed up Silver State Sweepstakes, I think we would've been in the sweepstakes business back in 1966.

However, we did have other worries. It was surprising that gamblers in the rest of the state, which would have been affected by the Matthews proposal for taxation, would have, actually, in his second attempt, been taxed out of business. They just couldn't've stood the taxation that he was talking about. But it was almost impossible for Chuck to muster any support from any other area in the state. He did work with [Robbins E.] Bob Cahill, who was his counterpart with the Nevada Resort Association in Las Vegas. But in all fairness, nobody did a great deal to help Chuck and myself. And in fairness, I have to say that Munson was ninety-nine percent responsible for the defeat of both the Matthews petition and the Silver State lottery proposal.

FIRST NORTH-SOUTH COOPERATION

As years went on, however, the situation that started out as a, oh, more or less, "So what? You've got an association up north" kind of an attitude, resolved itself into a very, very close working relationship with not only Bob Cahill, but his board of trustees. I think this was cemented more than anything else when we were faced with a problem in Washington, and I think that was 1967, when the Internal Revenue came out with the proposal that *all* winnings of six hundred dollars or more must be reported on Form 1099. Well, this was a real threat to the industry because it would have taken the glamour out of gaming, and more than that, it would have multiplied—compounded, actually—the amount of bookkeeping necessary in keeping track of all winners of six hundred dollars or more. And the regulation was drafted to include slot machines as well as all the table games.

In working in an attempt to counter this legislation, we worked very closely with Nevada Resort Association, so closely, in fact, that we (when I say we, Chuck and I, together with most of our members) made a trip to Las Vegas to sit down with them. The operators from Vegas, together with Bob Cahill, came up here and met with us on occasions, the result of which was a real close alliance. As a result of those meetings, we were cemented together and came up with plans that we felt might be successful if we could just get back to Washington and talk to the director of Internal Revenue. It was agreed at a meeting held in Las Vegas with operators and their

*Silver State Sweepstakes was a proposal for a state lottery, unconstitutional in Nevada. The petition sought to amend the constitution.

attorneys that we would put together a group to go back if we could get an appointment with him. We put together a program, selected the delegation, which consisted of the leaders of other industries as well as the gaming industry, and we took back a delegation of twenty-eight people, including the governor and most of the top industry leaders in the state.

I had the good fortune to be selected as the chairman of that delegation. And this was a particularly gratifying thing. Out of a roomful of probably the top people in the state of Nevada, I was selected for that chore, and it's always remained one of the highlights of my whole life, and probably came about as a result of my having been selected as the temporary chairman for these meetings. I guess they just felt that nobody else knew as much about it as I did. But anyhow, I was selected, and enjoyed it.

We took the twenty-eight people back at a cost, before we got through with it, of something like \$28,000, housed them at the Washington Hilton Hotel, and had our precaucus meetings and our caucus meetings, and after meeting with several of the lesser people in the director of Internal Revenue's offices, we finally did get to sit down with the director himself and make our presentation, the result of which was that we were exempt from the reporting of all six hundred-dollar winnings, *except on the Keno game*, their reason being that the odds there were so great, and it was so easy to keep track of the winners because the tickets are all kept on file, anyhow, for the state Gaining Commission. But we did come back feeling that we won a tremendous argument. We've had no real reaction businesswise. The game has not been hurt. The volume has increased over the years since that time, which we were a little apprehensive about at the time. But it

didn't work out that way, and we've been able to live with the graduated scale modification that was adopted as a result of our meeting with the director of Internal Revenue, who, incidentally, before coming out with a final decision, came to Nevada and was given a complete tour in the Reno, and Lake Tahoe, Sparks, and Clark County areas by members of the industry. Shortly after that tour, he did come out with a regulation which accomplished, for us, about as much as we had hoped could possibly be done under the circumstances.

This was the first real test under fire of all the casinos working together. There had been a previous test when a similar tax, way back in the '50's, was proposed, but it was a flat ten percent on all bets, all wagers, and which was handled, then, by Senator McCarran individually, with the assistance of a few local attorneys who were selected and sent back to represent the industry. But this was the first real baptism under fire, you might say, for Nevada Resort Association and the Gaming Industry Association of Nevada working together. And it worked out very beautiful, as a result of having rubbed shoulders for about a week together. Some real friendships were cemented between the north and the south that I feel had a beneficial result in the overall picture.

There, I think, had always been resentment on the part of the north toward the south because of their real progressive attitudes, and on the other hand, there had been real resentment on the part of the south because of the real conservative attitudes of the people in northern Nevada, not only Reno. But we operated for a long time, and many of us were happy to have it that way, too, due to the element that seemed to be running the southern part of the state. But that element had started to resolve itself and disappear

by the time of this big Washington meeting, and I think, as a result, it went a long, long way toward eliminating the feeling that had existed not only amongst the business leaders of the north and the south, but it also seemed to reach into the legislature. We noticed a definite change there, too, that, by gosh, maybe our problems were all mutual, and maybe we should work together and try to see the other guy's side of the picture a little bit better than we had in the past.

So, I feel, even though it was a red letter day in the relationship of the north to the south, and particularly in the area of the two associations, it also had much, much deeper reaching effects, because as a result of these number of meetings that were held, we had literally hundreds of people involved. We had the top accountants in the various firms at meetings. We had their CPA's, we had their legal counsel, and many, many people were involved in that endeavor, and as a result, the change in *their* feelings, I think, kinda rubbed off on their neighbors, their legislators, and, in general, all of the people in the state.

Our relations with the south have been extremely favorable. There's a fierce competition between Las Vegas and northern Nevada. But by the same token, there's a fierce competition between individual licensees, even those next door to each other or across the street from each other. And there is nothing wrong with that competitive feeling. I think the competitive feeling does a lot for the industry, in that it keeps management, particularly, on their toes, to be sure that the fellow next door isn't doing something just a little bit better than he might be doing it in his own place.

The association, both here and in Clark County, I think, whereas it remains pretty much in the forefront in matters political, it has very little, if anything, to do with financing

of political campaigns. In our own case, in the case of the Gaming Industry Association of Nevada, we make no financial contributions to any political candidate, for the primary reason that we are led to believe we're precluded from doing so in an open and aboveboard manner by the federal law under which we operate, the Internal Revenue regulations. And in the second place, we felt that it would be primarily a matter of duplication in that most of our members are called upon by most of the candidates, and we have no money to spend, other than the membership dues, so we would really be doing something for them that they can do best for themselves. So we've stayed out of the political contribution field.

TRANSITION FROM HAROLDS CLUB TO TRADE ASSOCIATION EXECUTIVE

In August of 1969, one day I looked up from my desk and Chuck Munson was standing in the doorway. Chuck had been the director of the Gaming Industry Association since its inception, and I had been its president. And I thought it was unusual because he always called before coming over. But he came in, sat down, asked if I could give him a few minutes, and told me that he had been offered a position as vice president in charge of marketing at Harrah's at more money than he was making with the Gaming Industry Association, and that he was inclined to take the job, except he had one worry, and that was finding a replacement for the directorship of the Gaming Industry Association. We talked about several people who may or may not have been eligible, and I asked Chuck if he had talked to his executive committee of the Gaming Industry Association about this. And he said yes, he had. And about that time, my secretary called my attention to a phone call that she said was

urgent, so I took it, and in turning back to talk with Chuck after I'd completed the call, I said, "Well, did your executive committee have any suggestions for a replacement?"

Naturally, it goes without saying, I urged Chuck to take the position with Harrah's, not only because it was a step up the ladder for him salarywise, but it was a challenging kind of a proposition, and I knew that he'd do well there. We both had fear in our hearts that the Gaming Association would die if we didn't find a replacement. So anyhow, when I turned around to him, I asked him if he had had any suggestions from the gaming directors, and he said, "Yes. While you were on the phone, I wrote down the name on that scratch pad." And I turned the scratch pad around, and on it were written just three letters, Y-O-U.

And I said, "Oh, my gosh, Chuck. I couldn't begin to even think of taking the job. The Smith family would never forgive me for leaving here." And we talked about it, and I said, "I would hesitate even to ask them. And I wouldn't leave without their approval, their blessing."

So he worked on me along the lines that, "Well, you'd still be working for them. After all, they're one of your members, and you'd still be working almost as directly for them as you would be if you were still on their payroll."

So after considerable discussion (this was before noon, when he came in, on a day when our [Harolds Club] board was scheduled to meet), I said, "Our board meets this afternoon. I will talk to them."

So I went to the board meeting, having previously called and requested some time with them. So they called me in and I told them what was transpiring, and that I, too, felt that the job was a challenge, and that I would like to take a whirl at it, pointed out that I would still be working for them. They were noncommittal at first, and then finally

Raymond A. Smith said, "Well, gee, if it's something Les wants to do, and as he says, he will be working for us yet, he'll be looking out for our interests, doing pretty much the same kind of work he's doing here, I don't think it's fair of us to hold him back." And pretty soon, the entire board agreed that it maybe was to even their advantage to have me take the job, rather than to put in someone who was not familiar with their operation. So they agreed that it would be all right for me to take the job, but Harold, Sr., said before I left the room, "Go ahead and try it, Les. And if for any reason you're not happy, or you ever want to come back, why, there'll always be a job for you at Harolds Club."

Well, these were pretty gratifying words, and worth working eighteen years to hear, I guess. Naturally, at that time, little did I dream that they'd sell out and that guarantee wouldn't mean anything [laughing] after they were out of business. But it did make me feel good, and I called Chuck immediately and told him that I would accept.

Now, I have to say that I did a lot of soul searching and a lot of deep thinking before making this change because the Smith family'd been exceedingly good to me, but it did present another problem. One of the conditions of employment with Harolds Club was that I live out at the Pony Express Lodge in a very nice apartment, which was provided to me rent-free. But changing jobs, naturally, I wanted to move from there. And we started worrying, then, about, well, should we build, or should we buy, or should we rent a new place to live?

I had a lot of other thoughts, too. Of the 1,400 employees working there at that time, I think all 1,400 of 'em were known to me by at least their first name. Many of them I had worked with for as long as eighteen years, and, I guess, most of them for a period in excess

of five, and maybe the majority of them, in excess of ten years. So it presented some real problems in making the decision. However, having left with their blessing made the decision somewhat easier, and, I think, led me to believe that I had made the right decision in making the move.

There was a worry in their minds that they might have trouble filling the job I was leaving. So I did tell them that I would be happy to train anybody they cared to select for the position and would drop in periodically during the first few weeks or months after leaving to kinda help out. Well, fortunately, that worked out very well, because Harry Bergmann was named as my replacement, and Harry and I have worked so closely together that we were in constant touch by phone after that transition was made, and I made it a point to drop in at least one day a week and visit with them. So there, the transition, as far as Harolds Club was concerned, worked out very, very well. The transition at the Gaming Industry Association worked out equally as well, for the reason that there had been hardly a day over a five-year period that I hadn't been either personally in touch with Chuck Munson or had talked with him on the phone, and had been so close to everything that transpired that it really wasn't like stepping into a new job. It was more like stepping into an expansion of my old job at Harolds Club. The duties were similar. The only thing was, I had twenty-five or more bosses in the new job, but fortunately, a very good, commonsense board of trustees to whom I looked for guidance.

So, really, the transition went very smoothly. And fortunately for me, during the first few months after we made the change, the conditions were about as quiet as they have ever been since the association was founded. There were no pressing problems. It gave me

an opportunity to get my feet on the ground before some of the real problems did develop, and some were to develop later.

Well, there isn't any question; I could [write a book about my experiences at Harolds Club]. Of course, you'd hesitate to write it and publish it, I'm sure. But it was a gratifying experience. I enjoyed every bit of it, although it was frustrating. I'm sure that I've said before that there never was a more impulsive family to work for than the Smiths, starting with Raymond I. and coming right on down, through all of them, with the possible exception of Raymond A. Raymond A. was less impulsive than any of them. Dorothy Smith, Harold's ex-wife, was also not impulsive; she thought things out. In some cases, their personal lives might be criticized for—well, their numerous marriages, but on the other side of the coin, they always took good care of the ex-wife or any children. But it was gratifying, it was interesting, I thoroughly enjoyed it.

But when I look back, I'm sure that I did the right thing. I think that, actually, I had worn myself out with them. There was no place to go, there was no further promotions. I couldn't rightfully expect more salary than I had been drawing. I was drawing more than many people who'd been there much longer than I. I had been treated royally. I had been given almost complete control of my office in everything other than real serious policy matters. I was always told to use my own good judgment, and they'd back me up. And in fairness, I have to say that, with the exception of one election, the election campaign of Sawyer and Laxalt, they backed me up one hundred percent in everything I ever did.

It was a real experience to travel around the country as I did, and find the real high esteem in which the Smith family and Harolds Club was held by everybody. No matter

where you went, they always knew something about Harolds Club, and they always knew something good about the Smiths. And in general, their reputation was so good that you were proud to identify yourself as being with Harolds Club, whether it be in Washington, D. C., New York, or any place else. Their reputation for fairness and square dealing was known every place I went, including even some of my visits. One time at the tip of Baja, California, where you think you're going about so far removed from civilization that nobody'd even know where Harolds Club is, a private pilot flew in there one day. And meeting him at dinner or around the resort, we got talking, and he produced one of the private pilot's courtesy cards that I had issued, myself, from Harolds Club. He knew Harolds Club and couldn't find superlatives enough to tell the people there who weren't thoroughly familiar with it what a great place it was, and how it was run. And it seemed that the thing that impressed people most—and it was a sincere message, right from the bottom of Pappy Smith's heart—were the signs that he had around the club, "Please do not gamble more than you can afford."

Now, that didn't mean that Raymond I. and the Smith family didn't like money. They did. But they certainly meant what they said on those signs, and I think that it had more to establish, their reputation for the club than probably any other one thing they did.

You might think that in going to—well, appearing before congressional committees, for instance, in Washington, and that sort of thing, you'd almost identify yourself as being with Harolds Club with tongue in cheek. But that was not the case. I never was embarrassed once in all the years I was there through the association itself, through the fact that I worked for them. And certainly, in looking back, many, many times, I'm sure that they

could have questioned my judgment. But if things worked out reasonably well, they certainly were more than fair to me.

New Problems in the Gaming Industry

Well, coming into the picture here in August of '69, it was a good time to make the changeover because the legislative session for that legislative year had ended in March or April. And this gave us an opportunity to get our feet on the ground and plan and think about the coming session in 1971. Naturally, in this work, your greatest worry, always, is legislation, not only at the state level, but at the federal level. And we have had, since I came in, some problems in Washington.

In 1969, one of our greatest worries, and one which took almost full time during '69 and all of 1970, was the Organized Crime Act of 1969, which was introduced way early in that 1969 session of Congress. But they didn't get around to hearings or considering the bill at all until the fall of '69. There were some things in there that were extremely detrimental to the gaining industry in Nevada. One provision, which the drafters of the legislation felt was necessary and fair, was the prohibition of cashing a check written to cover a gambling debt, or written in an establishment where gaining was conducted. They were so sincere about this that the penalty for cashing a check in a gambling house was a \$25,000 fine, or ten years in jail, or both.

Well, this would have precluded any casino in the state of Nevada or any hotel with a casino from cashing a check of even a local resident. We pointed out the dangers of this to the committee—committees, really—because we got into the Senate Judiciary Committee, and the Senate Finance Committee. Other portions of bill pertained to finances, so it had to go to the Finance Committee. So we had meetings with the staffs of the two

Senate committees. Later our Senators had meetings with the staffs of the House Judiciary Committee. And we were able to have the bill amended to a degree where that provision did not apply in an area where gaming was licensed, taxed, and controlled at the state level. So this pretty much removed our worry. There were other objectionable features to the bill. But we went into the problem with the understanding that we were as much in favor of controlling illegal gambling as the Congress of the United States was, and we didn't want to water down the bill in any area where it would weaken the control they might have over illegal gambling. So we made a point, and, I think, favorably impressed all of those with whom we talked back there through our approach, because some of those things were going to be very detrimental to us. But the primary aim was not at us, not at legalized gaming in Nevada, but at illegal gaming in the other forty-nine states.

So we went along with almost all of the other provisions in the bill and did have an amendment that was satisfactory to us, and anticipated that the bill would pass as amended. However, in the closing days of the ninetieth session of Congress, in December of '69, there was so much opposition to the bill itself because similar bills had been drafted and introduced by other sponsors, and there was so much dissension (as this bill was introduced by Senators McClellan and Hruska), primarily in the House of Representatives, that the bill failed to pass. However, it was again introduced immediately in the ninety-first session of Congress, second session, when they opened in January of '70. During that spring, that particular legislation passed with our amendment and is now the law of the land.

We had no serious problems, really, affecting the industry within the state other

than numerous regulations which had been proposed. One of Governor Laxalt's last acts—at least, his last meeting with the Gaming Policy Board—was to present to them five ideas which he thought should be incorporated into regulations. None of them were well reasoned out, none of them were workable as they were drafted. They were even objectionable as far as the Control Board and the Commission were concerned in some cases, in that they were just not enforceable, not workable. So we spent almost the entire year of 1970, almost full time, between Congressional problems in Washington (until spring of that year, when they were resolved), and then the balance of the year trying to modify the proposals that Laxalt had made to his policy board.

As a result of that situation, the law has since been changed, and changed at our suggestion, because when Laxalt met with the Gaining Policy Board back in 1969 under the old law, he was meeting with three members of the Control Board, all of whom he had appointed, five members of the Commission, all of whom he had appointed (unless there might have been a carry-over or two from the Sawyer administration—I don't believe there was). In any event, he was sitting down with eight of his own appointees to talk about gaming policies. And under those circumstances—no reflection on Governor Laxalt, and no reflection on the Board or the Commission—but the facts of life are that when the governor sits down and makes suggestions to eight of his appointees, even if some member of the board or commission knew that the governor's idea was unworkable or unacceptable, it's highly unlikely that he would say so.

So we proposed a change, which later took place, that helped to eliminate that kind of a situation. But as a result of that board

meeting in the fall of '69, we had numerous hearings on those various regulations. We had hearings in Las Vegas, we had hearings in Carson City, we had hearings in Reno. Some of the regulations required meetings in all three of the places. However, after a year of work, working very closely with the Control Board and the Commission and reasoning out our reasons for objections or our reasons for changes, we were able during the year to either have the regulations modified so that we could live with them or so that they were workable, or else having them defeated by the Commission so they did not appear on the book.

We had many other minor problems. Even though we do not act in a labor relations capacity, since I've been in the office we have had at least two or three threats of unionization. And even though we are not in that business, we do, naturally, stay real close with the circumstances surrounding the situation and try to keep abreast of everything that's going on. It's time-consuming. We work with the Reno Employers Council as much as we can, only in a left-handed manner, but always trying to be as helpful as we can to our members.

We had no other serious problems on the national level during '69 and '70 other than what was called the Wagering Tax Amendment. The Wagering Tax Amendment provides a ten percent tax on all bets placed in turf clubs or sports pools. It's long been our contention that in Nevada, where gaining is legalized, taxed, and controlled at the state level, that it was grossly unfair to the bookmakers in the state of Nevada to compel them to charge the ten percent tax, when in thirty-six states, which have pari-mutuel betting, both dog and horse tracks owned or operated by the states. However,

Congress didn't know this. Believe it or not, in appearing with the staff of the Judiciary Committee of the United States Senate, we were advised that the reason the pari-mutuel betting was exempt from the ten percent tax was because these operations were owned and operated by the state. There wasn't a member on that staff that did know that those are privately operated businesses, just the same as the casinos in Nevada. They were so doubtful of that that we had to provide proof to them.

Now, the same, of course, is not true in the case of state operated lotteries. And we weren't opposing that. They were exempt from the tax, and since that time even the off-track betting in New York state has been exempt from the ten percent tax. We've long felt that the bookmakers in Nevada were being discriminated against in having to pay the tax. We pointed out to Congress that in forcing them to collect the tax, all in the world the federal government is doing is forcing the bettor into the arms of an illegal bookie, either in another state, or some that frequent hotels and other places even within the state of Nevada. We don't deny that we have them. But what keeps them in business is the fact that Uncle Sam forces the legalized bookie to collect the tax, yet has no control, and doesn't even attempt to control the illegal bookie, who doesn't pay the federal tax, and who doesn't buy a federal license, and isn't licensed by the state of Nevada.

As a result, we have battled with Congress for a number of years, asking for Nevada the same exemption that the other states with pari-mutuel betting or state lotteries are accorded. Finally, for the first time, in the last session of the ninety-first Congress, they recognized that this was true. And we have at present a bill before Congress to eliminate that ten percent tax on the state of Nevada, not so

much because the gaining industry is in favor of the bookies, because most of them are not even a part of the gaming industry itself (they operate separately and apart from the rest of the industry), but as a matter of principle, that it just isn't fair that thirty-six other states be exempt and that Nevada be penalized. So we've spent a great deal of time on that, just as a matter of principle. I think we're winning that battle. I wouldn't be surprised, before this first session of the ninety-second Congress is over, that we will gain enough support to get that bill through.

Another bill that's kept us busy and on which many of us have worked for ten years or more, and which has taken a tremendous amount of time in this office, has been a provision for the United States government to return to the state of Nevada the excise tax that is collected on slot machines. That tax was originally proposed and enacted by Congress to give the FBI and other governmental agencies an inventory of all the slot machines in the country, and in so doing, of course, giving them the opportunity of moving in on the illegal slots. It's been our contention for many, many years (many of us have worked on it) that this was grossly unfair to the state of Nevada, that our machines were all licensed and taxed locally. It was a matter of record with the Gambling Control Board that every machine was listed, every machine in operation was licensed, and that we were being unjustly penalized. There was no need for that type of control. We, however, have said at all times to the federal government that, "If you do want to keep the registry, fine. Then you continue to collect the two hundred and fifty-dollar tax, make the owner file once a year and pay his tax, but then return to the state of Nevada eighty percent of that amount."

Well, with the schools in the dire straits they've been in the last few years, we have petitioned Congress and have a bill enacted now to return eighty percent of that two hundred and fifty dollars per slot machine to the state of Nevada, to be placed in the state distributive school fund. That act, setting out just exactly what disposition was to be made of the funds, was placed in the Nevada statutes books in 1967, so that any money being returned by the federal government would automatically go into the state distributive school fund. At the last session of the legislature, some of the powers who've watched the education funds very closely decided that a portion, at least, of it should go into a capital building fund, and they introduced legislation to that effect, which passed and was signed by the governor. So it now would appear that our bill, which is before Congress, and could conceivably pass this year, would return about seven million dollars to the state of Nevada, five million of which would, under state law, go into a capital building fund, and the balance, of some two million, to go into the state distributive school fund, to be distributed as they see fit.

We've had many misunderstandings in Washington. They just don't understand how things work or how people think out West. Our greatest problem in talking with them back there has been to convince them that the gamblers, the owners of the slot machines, would not receive any portion of the two hundred and fifty dollars if it were refunded. They object to doing anything for gamblers, whether they be legal or illegal. And it's almost impossible to believe that people can be so dumb, but so help me, it's just disgusting to run into these arguments. And the problem there is not much different than the problems we have in the state legislature.

We have a constant turnover of personnel in the legislature, so it's a constant matter of educating and talking to people and having them understand exactly what you're trying to do and how you're trying to do it. When you once get the message across to them—which we feel we've been able to do this year—that this doesn't save the gambler five cents (he still pays the two hundred and fifty dollars per machine, but two hundred dollars of that two hundred and fifty comes back to the state of Nevada for school purposes), then, of course, you win them over to your side. And we are at the point, we feel, where the chances are excellent that that legislation will pass. (This legislation passed in 1971, effective July 1, 1972.)

Although it might sound like all of our problems are with legislation and dealing with the state legislature and Congress, that is not necessarily true because we have our problems at the state level with some of the other state agencies. For instance, back in 1970, the Nevada Tax Commission came out with what they called "Property Tax Regulation No. 2," which, in effect, would have permitted county assessors in the various counties to use the capitalization of the fair economic expectancy as an added criterion in determining assessed valuations of real property. Well, that's a big, long name, "Capitalization of the fair economic expectancy," but all it means is profit. And what they were saying to us is that that should be used as one of the criteria in our casinos and hotel casino complexes, and in so doing it would be paying in property taxes.

We met on numerous occasions with the Tax Commission. We had drafts and redrafts submitted to them. And finally, in September of '69, and then a month later, in October of '69, in Reno (the first meeting being in Las Vegas), we were able to convince them that

this was entirely unfair, that the property should not be assessed more because there was a profitable casino in it than it should be assessed if there was a profitable service station, or motel, or anything else. As a result of all of these meetings, and six months or more of almost continual efforts on our part, we were able to have that regulation amended so that it applied to rental income only. And this was, we felt, fair to us. Also, in reasoning it out with the Tax Commission, they felt that it was fair, and in December of '69, our amended version, which saved the industry hundreds of thousands of dollars in property taxes, and finally approved by the Tax Commission, and is now on the books.

We had another similar problem, that the Tax Commission said at a later date, in 1970, that—. Our members were being forced to collect the sales tax on tips on luncheon and banquet tickets. Now, this might sound like a very small thing. But what was happening, particularly with our larger facilities and larger dining places, where banquets were held quite often, if the cost of the banquet was six dollars and fifty cents per person, and the tip was a dollar and a quarter per person, we were compelled to collect the sales tax on the total amount. We reasoned that it just didn't make sense, that the sales tax certainly was never intended to apply on the tips, the gratuities. And finally, we weren't getting anyplace until we requested an opinion from the attorney general on the legality of that practice. He did hand down an opinion favorable to us in April of that year, in which he said that sales tax *cannot* be imposed on any designated percentage of the sales price of food or beverage withheld by management for the employee.

So we won that one, too. And here again, it was a matter of principle we were fighting for. The law did not specifically give them the

privilege of assessing the tax in that manner. They had done it as a matter of policy, but right prevailed, and we won that battle. But here again, it's a very minor thing, but tremendously time consuming. I think that takes care of most of our major battles.

EVERYDAY ACTIVITIES AND PROBLEMS OF THE GAMING INDUSTRY

The association, in addition to lobbying activities since our formation, has tried to do some other things, too. We've tried to act as the spokesman for the northern Nevada casinos. We've met and talked with any number of writers and magazine-newspaper people who've come in with questions. We've published a little facts and figures booklet on the actual history of the state, the history of the taxation of gambling, what it amounts to, and pointing out the industry's position in our economy.*

We've urged over the years, as long as we've been in existence, better public relations beginning at home, between the industry members and the other businessmen of the area. One thing we've urged our members to do—and I think we've been successful to some degree—is that from a public relations standpoint, probably the very best thing they could do was try to do as much of their business with their neighbors as they could. And we've adopted somewhat of a slogan that goes like this, "Buy locally whenever possible, the price, quality, and service considered." I think this has gone a good, long way toward cementing relations with other businesses. It certainly has in the northern area. Whether it has in the outlying communities or not, I have no way of knowing, but I don't think they faced the problem quite as much as we do here in Reno, where a good deal of our business comes from the Bay area, and a good

deal of the supplies in the past were bought from the Bay area. But I'm sure that it has made some progress for I know of actual cases where, five years ago, the local downtown businessmen were downright antagonistic toward the gaming interests, and that is no longer true. They are now boosters, and I feel that, primarily, it's been as a result of the change of heart and the change of procedure in the industry to spend their money with their neighbors whenever possible.

[Do I want to talk about corporate licensing?] Oh, there's—oh, yeah. And we can be rather brief on that because there are mixed feelings on the result of permitting corporations to come in and be licensed. There have certainly been some advantages. I'm sure that those who were pushing for corporate licensing (and, of course, the strongest proponent was Governor Laxalt) can point to many, many, many things that have been to the industry and the state's advantage since the inception of corporate licensing. But there have been some disadvantages that are self-evident. And some of them pretty close to home, too—the number one objection, I think, being that a corporation doesn't have a heart like an individual or a family owning a business, that the individual or family ownership, I think, felt their number one obligation was to their customers and to their employees. This doesn't seem to be true under corporate licensing. Under corporate licensing, it would appear, at least at this point, that the number one consideration of management under corporate ownership is to the stockholders, and to what kind of a profit can we show for this year, regardless of who it hurts? This has been evidenced in many, many

**Gaming in Nevada* (Reno: Gaming Industry Association of Nevada (1972).

ways. The one thing we were most fearful of has not come to pass—and that was the fact that the large corporate operator might see fit to resort to central purchasing, or pool buying. There has been no real evidence of this, and certainly, we're hopeful that there won't be, because this would, in my estimation, be the straw that broke the camel's back.

Not all of the publicity that has been generated as a result of corporate ownership has been good, and it was one of the things that we felt might be very helpful to the image of the state of Nevada, the fact that we have casinos listed on the big board, and that they're openly traded, and that you have stockholders, probably, in most of the casinos in Nevada who are located in maybe all of the fifty states, and some foreign countries. However, some of the developments that have happened with corporate ownership have worked, certainly, to our disadvantage, rather than to our advantage. And I'm sure we're all hopeful that everything will work out all right in the long run. But it has certainly stopped a lot of people in their thinking and caused them to take a second look at whether we actually did the right thing in going into corporate licensing of casinos.

Well, I real broadly stated the disadvantages, in that the stockholder comes first instead of the customers or the employees. I don't know how much further you can expand without gettin' in hot water. I don't want to get into the Hughes thing, or—

Well, this, the [inability to have face-to-face contact with owners], undoubtedly, has been one of the real glaring examples of what you can get into unwittingly, unknowingly, and no one could ever foresee it. But the present Commission has drawn the line. They have always felt that in any licensed operation, even in a family operation, they

want one person to whom they can look twenty-four hours a day for full cooperation and a person to whom they can turn if they have reason for reprimand, or if they have suggestions for a change in operation. Now, this has not worked out satisfactorily in the case of the Hughes corporation, the Hughes Tool Company, since the separation of Bob Maheu from that corporation. However, the Commission is well aware that there apparently is no written record from Mr. Hughes or anyone else, giving anyone authority to take over and be responsible for the operation of the seven casinos that the Hughes people own in the state. This *will* be resolved, and when it is resolved, it might remove the worst stigma of corporate licensing.

Everyone realizes, I'm sure, probably including Governor Laxalt, that it was an extreme error in judgment in permitting Howard Hughes to enter Nevada gaming without personally appearing. Other than the rumor of a telephone conversation between Hughes and the governor, no one knows for sure, unless it might be Bob Maheu, that Hughes ever was in the Nevada gambling picture, individually. Certainly, his money has been. But this has been a crucial thing, and one that *has* to be resolved, and one I'm sure that *will* be resolved before the Commission is finished with the hearings that are now taking place.

This type of thing has not happened in any of the other corporate entities. As a matter of fact, we have some corporations that are working as beautifully as a private ownership ever worked. We have the matter—as long as we're naming names—of the Del Webb Corporation., which has worked as beautifully as if they had been individually owned and operated by Del Webb personally. He has given

the Board, the Commission, and, I suppose the governor, the name of one individual in each of the operations to whom the state can look with complete confidence. And I think the same is working out satisfactorily with the Hilton International now.

But there have been minor problems, and it's unfortunate that these things develop, but it brings up the same old question, "How do you unring a bell?" We're blessed with corporate ownership. And the investments are so tremendous that you just don't say, "We'll give you a year or two or five to sell back to private ownership." In some cases, they might *never* be able to sell to private ownership." So it's a situation that we must live with, and we should be just real grateful that the Commission has taken it upon themselves to get to the very bottom of things and be sure that everything is being conducted on the up and up, and more than that, to be sure that they have someone in the state of Nevada to whom the state can look with complete responsibility for the operations of those corporate entities within the state.

There's another point which might not sound like much work, but there's hardly a day that there isn't something to be done in connection with federal legislation. It means keeping a very close check on the *Congressional Record*, it means keeping in very close touch with the Senators or the Congressman or their staffs. In each case, each of the Senators and the Congressman has assigned one member of their staff to kinda look out for the gaming industry's worries. We use that individual in each office as a contact person. And if we have questions that we want answered, we work, normally, through that staff member.

There's been a great change, too, in the thinking of our own Senators. It may not be

fair to state this, but it is a fact that it's only been the last few years that Nevada's Senators have almost not been ashamed to admit they represent Nevada. And, I'm sure it's because of the gaming. It's because of the bad reputation that the state has received as a result of poorly written and wholly untruthful books such as *The Green Felt Jungle*, and others like it, and it's understandable, too, why they should be a little reluctant to be proud of the fact they're from Nevada when you consider that every time a new book of that kind comes out, the author immediately sees that a copy of it is provided to each and every one of the United States Congressmen. So when you go back to Washington to talk with any one of 'em, invariably, the first thing they do is pull the book out of their desk and throw it across the desk at you and say, "Well, what do you say about this?" So life hasn't been a bed of roses to them in representing Nevada and its gaming industry back there.

However, I think because of the change in the image, and more than that, maybe, because they have had a couple of trade organizations in the north and south to work with who have never asked them for anything other than what was just and fair, and the fact that we have had opportunities to bring many of our people to Washington and appear before committees—. I think the Senators and the Congressman have been mighty proud of the way people have conducted themselves back there. Whatever has happened certainly has happened for the best because no longer are they ashamed to admit that yes, as well as other things in Nevada, they represent the gaming interests. And this has been a long, hard road, but by gosh, it's gotten, finally, to a place where it's working, and we have no problems getting them to get an appointment with whomever we might want to talk to—the commissioner

or the director of Internal Revenue, or the Senate committees, or anyone else.

Our other problems in the industry, of course, vary from day to day, but not any different than they are in any other industry, I don't think. We find little things crop up that— maybe there's a chance to do something to improve the image. Maybe, more importantly, there's a chance to head off something that would be harmful to the image, such as uninformed writers. Hardly any of them that write such books ever do come to Nevada. But when they do come here, invariably, they call on us for information. And in most cases, those who come here are actually looking for facts. It's time-consuming, but, of course, if they use the facts, then any of the information that they might take away from Nevada can't help but be beneficial and not harmful.

[Do the industry associations do very much in the way of gathering statistics?] No. We don't, because the Tax Commission does such a beautiful job and the Gaming Commission does such a beautiful job in their quarterly reports and annual reports that we don't do any of the compiling. We file 'em. We have each and every one of their reports. But we don't—no, we don't do the compiling ourselves. If we were big enough, had the manpower, there are some compilations that we should make and that would be real meaningful, such as building a composite of all of these taxes that we are forced to pay, the sales and use tax, the room tax where applicable (many of our members have hotels), and all of the taxes collected by the Tax Commission, the gasoline tax, all these other taxes. We're involved in every one of 'em. There isn't a tax on the books that we don't pay some portion of. Such an undertaking would be advisable but we just don't have the manpower.

FUTURE PLANS

[What are we planning to do next in the Association?] Well, we always have projects on the fire. One of the most beneficial things that has happened to the industry was the enactment by the last legislature of the "cheaters bill," a bill that gives industry members the privilege of detaining a suspected cheater long enough to call an officer. And this has been a real problem because of the danger of false arrest. However, this legislation, which is patterned exactly after the shoplifters law, does now give the industry that prerogative. They may hold a person long enough for questioning if they suspect him.

We have another project now where we hope to provide to the members statewide, our members, pictures of these people who are convicted, or even who are arrested on suspicion of cheating, and make those color pictures of the suspects available to all members. This is in the mill. We're hopeful it'll go. And we hope that between having the new cheater's act on the book, and then also having the pictures of suspects, people who you should watch more closely than others—. And then further, a new regulation which has been proposed, and which will undoubtedly be adopted by the Commission at the September twenty-third meeting, is a provision concerning slot machines (and that's where a good deal of our cheating takes place, and cheating costs not only the operator money, but it costs the state tax dollars, too). They have a proposal, a regulation proposed which makes it mandatory, where you have a number of slot machines in your place of business, to have a fully responsible individual in attendance at all times that the machines are available for play. This will not only keep minors from playing them, but it'll also make it a little tougher for the slot cheaters to work.

And that regulation is up for the September hearing, and, I'm sure, will pass because everyone's in favor of it.

We are in the process, too, of revising the little blue book that I showed you.* It hasn't been revised for five years. And we're going to do it a little differently, showing the actual growth of the industry year by year, but more importantly, showing the additional tax load that has had to be absorbed over the years. And this will be tremendously interesting to anyone looking [into] or researching the gaming industry, I would think, because here, it will be all in one place, and hopefully, graphed out so that it'll be readable.

The associations are not really aggressive people. We try to do what we can, of course, to improve the image when we see an opportunity. But unfortunately, the problems seem to've multiplied to the point where we would love to always be on the offensive. But on the contrary, we're normally on the defensive. We normally find ourselves in the position of having to defeat or modify or change some proposal affecting the industry. And, the only way you effect those changes is through reason, common sense, and facts. There's no other way. The makeup of our legislative bodies, any more, as well as the makeup of our Board and Commission, are people who just don't fool easily. And so you must be prepared with the facts to effect any change at all.

[Isn't it satisfying to be making those changes?] Oh, it is, yeah, it is. I guess, on some of these major ones, that maybe it makes you feel like the mountain climber does when he finally gets up on top. It is real, real gratifying. It's not so gratifying when you aren't successful. But in fairness, in the six years we have been in business, we have never lost a battle that would have truly been harmful to the industry. We've lost some

bothersome little regulations that we wish we didn't have, but they've always been modified to a point where we can live with them. They might be bothersome, but not harmful. And we have won some tremendous ones, some that would—well, some that would just actually mean the end of gaming in Nevada, had they gone through as proposed originally. I imagine the feeling is the same as the field goal kicker when the score's six to six, and he's got a chance to make that one conversion, and makes it. I imagine he feels about the way we do in the [Association].

Of course, the workings of the Association are—it isn't a one-man show. It's a team effort. There isn't *any* information that anybody could want in relation to *any* part of the gaming industry that we can't get for them. Getting it for them is an easy thing 'cause we're working with our own members. Then convincing them that what you're giving them are actually the facts is where the big chore comes in.

You've asked for comments on the gaming industry in state and local politics. As an association, of course, we just don't enter into those things, and I think we've pretty much covered the individual members' activities in campaigns, and that sort of thing.

*Gaming in Nevada, 1972.

SOME AWARDS AND RECOGNITION OF MY ACHIEVEMENTS

Haven't we covered all these awards, recognitions, that sort of thing? Really, the only two that are outstanding [are the New York Life Insurance and the recognition of Monday holidays]. Nearly everybody has the others I've been awarded. But I think we covered this when I went with New York Life. And then we covered that one when we got to Monday holidays. I don't know of anything else to brag about, really, that everybody else doesn't have, old service club awards, civic awards, and that sort of thing. We may think of some other things later.

Oh, there's a flock, a little thing like—oh, the Reno Chamber a number of years ago used to give "self-starter" awards, you know, and I was awarded one of those one year, I remember. But gee, I don't know that they have any real importance—I can't think of any other awards.

Oh, one that I did appreciate—and it was one of the first public awards I ever received—was the proclamation, the resolution that was drafted by the Nevada state legislature after we had hosted the California state

legislature, a joint meeting of the California and Nevada state legislatures, at what we called the "Nataqua powwow," which had to do with the annexation of the Susanville area to Nevada. When [Don] Crawford was our assemblyman from northern Washoe County, he had a ranch out of Cedarville. And he was always introducing some legislation to annex that portion of—well, all of the area east of the summit of the Sierra-Nevada to the state of Nevada, declaring that it rightfully belonged to Nevada, the original draft of legislation showed that the summit of the mountain was used instead of the straight line that's now the state line. And as a result, in 1959, we invited Governor Brown and the legislature over as our guests and put on quite a party at Hidden Valley Country Club, at which time the two governors, Sawyer and Brown, were to battle out once and for all the dispute as to whether or not that area belonged to Nevada or California. And the dispute was to be settled with golf clubs on the golf course. So all of the [California] legislators that came over were teamed up with Nevada legislators, and

we had a golf match, and then a big dinner and a program of entertainment.

And as a result, the Nevada legislature presented me with a resolution, properly framed and given to me during the session of the legislature for having engineered the entire project. Some good did come of it. We had many interim committees working at that time that were joint committees, some members of the California legislature, some from the Nevada legislature. And as a result of that meeting and having been entertained over here, I think we cemented ourselves much, much closer to the state of California than we had ever been before. We had members of those committees—and I can't recall the exact ones now that were working—tell us later that the feeling toward each other had changed drastically, as a result of having just spent a day together socially over here, and a night, as our guests. So it did do some good, but it was the first real public recognition of anything I'd ever done, and I guess maybe that's why I appreciate [laughing] it more than anything I've ever received.

NOTES ON MY FAMILY

I met my wife in high school. Her maiden name was Frances Virginia Morse. She and her sister Gladys were attending Pershing County High School. They had lived along the Southern Pacific right-of-way, all the way from Madeline Plains clear out to the little station in the middle of the Great Salt Lake at one time or another, and had attended, I think, sixteen different schools during their schooling years. But they were living with a lady who ran a boardinghouse in Lovelock, and attending school, and their mother was then agent at Mill City, which was the shipping point for Nevada Massachusetts tungsten mine.

Quite an interesting story—. Prior to the Texas oil boom, her folks had been quite successful. They had saved a little nest egg of eight or ten thousand dollars. Frances' s dad, whom I didn't get to know until later life, was a real stubborn, I think, maybe, Englishman. But anyhow, when he got an idea, nobody could talk him out of it. Well, he got the idea that all he had to do was go to Texas and take a look at some of this ground, buy it, and he

could run that eight or ten thousand into eight or ten million overnight. He went to Texas and bought a lot of ground, never found any oil on it and never came back. He promised his wife that he wasn't coming back until he had multiplied that eight or ten thousand dollars. Well, he lost it all. Never did come back.

She had been around, Fran's mother, Grace Saunders— Grace Morse in those days—had been around the depots with her husband, where her husband was an agent and telegrapher for so long, that with just a little bit of training, she was able to pick up telegraphy. The other work, station work, such that a station agent might do, she knew as well as her husband had. So she went to work, then, as the agent in one of these various little communities, I think at Lovelock, at the time he left. But anyhow, she raised the four daughters and a son all by herself, and her last place of employment was at Mill City when the Nevada-Massachusetts tungsten was in its heyday.

I met my wife in 1923 or '24. And that's kinda unusual, how I met her. During my

dance band years, we played at the old Lovelock Theater. This was in the days before sound on film. And we played before the show for about a half an hour, and then during intermission while they were changing reels. And I got a phone call from a fellow who was later to be my brother-in-law, who said, "There's a little girl here that would sure like to have you take her to the show." It was a Sunday night.

And I said, "Fine. I'll be happy to take her to the show. I've got to go early. She doesn't want to go *that* early, but if she's got any money and will buy her own ticket, I'll meet her after the show's over." So that's just exactly the way it worked out because the thought didn't even occur to me that I could buy a ticket and leave it for her.

So, anyhow, after that first meeting, I don't remember what we did, but we probably drove around and had a hamburger or something. But anyhow, we went steady through high school. She graduated one year ahead of me, had worked odd times or after schools and weekends at the post office, went on full time when she graduated from high school as assistant postmistress, had a real good job. We went steady for five years, approximately, were married, came to Reno to be married by the Reverend Brewster Adams, and brought half of Lovelock with us. We didn't have a particular minister at Lovelock with whom we were *real* friendly, although we were both members of the Methodist church. But we did both like Brewster. He'd been out many times to speak at graduating class exercises, and one thing and another, and we both knew him, our families knew him. So we came in to be married by Brewster Adams. Clarence Sommer, who was a business associate of mine at the time, was my best man, and he had neglected to make arrangements with the preacher. So when we got to Reno, Brewster

Adams was out of town. However, someone at his home—and it might have been his wife; I'm not sure, but I think a caretaker—suggested that we go just a few doors further down, to Dean [Reuben C.] Thompson's home (that's Bruce's and Gordon's dad). So we went down. It was all prearranged. We were to meet at Brewster Adams's at two o'clock, so we had the whole crowd there. However, we got moved down to Thompson's, and Thompson was there and available, and, of course, we had the license, and everything, so we were married at his home, and, because we were just under twenty-one, had an awful time getting into any of the night spots. There were many of them available in those days, the Cedars, and the Willows, and many others that I can't recall the names of now. But because we weren't twenty-one, even though our folks were with us, we couldn't get in. But we finally did get into the Willows and had a real nice dinner and a dance. We stayed at the Golden Hotel that night, and the next morning left on a honeymoon that took us to Hetch-Hetchy Junction, where my oldest brother, Everett, was employed on the Hetch-Hetchy pipeline (it's the water system for the city of San Francisco), then took a trip to San Francisco for several days, and on up the Coast, ending up at Medford, Oregon, and then taking the shortcut for the first time in our lives from Medford, Oregon across to Winnemucca, where we played for a dance on a Saturday evening, and then back home.

We rented an apartment for the first few months, waiting for a new home that was being built, which we rented for a period of time, then during our years in Lovelock moved two or three times, owned a piece of property, finally, directly in front of the grammar school, a corner lot, where we had anticipated building, and for which we had plans in our possession when the time came

for me to move to Reno in 1942. However, we never did get around to build our own home. We rented all the time we were there, even though we owned a motel with nineteen units and other property, primarily because we were always plowing our money back into our business.

Our son, one and only son, Leslie Vernon, was born in 1930 in Lovelock. He's been a great sportsman all his life, and I attribute that primarily to the fact that on his sixth birthday I gave him his first single-shot .22, and on that very day, he killed his first rabbit with it. (He could never have the gun, of course, unless I was with him.) So as a result, he just lived from weekend to weekend for hunting and fishing, and we had just no trouble with him. He was just a perfect boy. I suppose he got into a little mischief, but never into any trouble, primarily, I think, because he knew that if he got out of line, he was goin' to miss his hunting or fishing trip on the next weekend.

So he went to school in Lovelock until we moved to Reno in 1942, at which time he enrolled in the Billinghamhurst Junior High, completed that, and then went on to Reno High School.

I had two brothers, Ernie, who worked for Standard Oil for a lot of years, and then went with New York Life, and who has spent about thirty-some years with New York Life Insurance Company, and an older brother, who was enlisted in World War I with the twenty-fifth air squadron, was badly gassed, and never in very good health, but lived for several years in Lovelock and later moved to Reno, and passed away in the Veterans Administration Hospital in about '44 as a result of the gas he had encountered in World War I.

Both of them were musicians, as was I. Ernie played the saxophone. Ernie was a better athlete than I was. He played a lot

of baseball; he played some basketball, and he was good at it, but he was outstanding at baseball, and played with several league teams here in Reno during his college years, ended up playing first base for Reno Garage, when Jack Threlkel owned it. He also played for Northwest—gee, I don't know what they call it, Northwest Athletic Association, I guess, on the Coast. The older brother, he was no athlete at all. Well, when he was growing up, there was very little basketball, baseball, and that sort of thing.

During the course of our lifetime, I, like I suppose everybody else, have been faced with a lot of sudden changes and a lot of real serious decisions. In fairness to Frances, naturally, she's been talked with about all of these changes, and they have been quite numerous. Probably the most important one was the one I made to go into business during the depths of the Depression, and it took what life savings we had, and then going back to buying an interest in the Brookwood, and then, again, to buying the other two-thirds. And we were, in those days, head over heels in debt when you owed twelve or fifteen thousand dollars. Why, didn't seem like anybody'd ever have *that* much money! And then, of course, the taking of the U. S. Marshal's job—she had no real desire to leave Lovelock. She had all her friends, all her girlfriends, kids she'd grown up with, gone through school [with] there, and we did have a real fine social life in Lovelock. Then my decision to leave the insurance business and go with Harolds Club, and then the decision to leave Harolds Club and come with the Gaming Industry Association. In all of them, of course, we discussed 'em thoroughly, and her answer was always the same, "Whatever you decide, Honey."

Fortunately, I think, all of the decisions came out all right, but whether they did or

not, she has never criticized one of them and has certainly gone along beautifully with all the changes in our life. We have forty-two years behind us this year. And if we had it to do over, I know we'd both feel we'd do it exactly the same way.

She has had many hobbies during her life, and she's been proficient at every one of 'em. She loves to sew. And she can sew about as well as anybody. We hadn't been in Reno very long until ceramics were becoming a great fad, back in the early '40's. And she was going to a ceramics school and having them do the firing of her completed work, and they were just so good I bought her her own kiln. We have a houseful of things she made, from little figurines on up, coffee mugs, and many details and complicated little gadgets. She lost interest in that when we moved out to the Pony Express Lodge in 1952, primarily because she didn't have the kiln right in her basement. I had to put it in our garage, across the yard. She kinda lost interest in it, and later we sold it.

But she's always been a great one to have some kind of a hobby, something she could do with her hands, so I bought her one of the first knitting machines, and she had a barrel of fun with that in the spare bedroom, making sweaters for everybody she knew, and socks. She has a green thumb. She's always taken great pride in her yard, and she can put a toothpick in the ground, and it'll sprout. But it's been a happy forty-two years. I hope we've got forty-two more starin' us in the face. She now does needlepoint and does it beautifully.

[I would like to include something about my grandchildren]. We have just three grandchildren, Shari [Moore], who is happily married and living in Wyoming. She was born in '51, and Patricia [Kofoed], who was born in about '53. She has just completed high school and has gone to work as a dental assistant

here in Reno and is very happy. And then we have a grandson, Robert, who is twelve—has a birthday this month [August, 1971]. He's going to be just exactly like his dad. He just lives for hunting and fishing. But the girls have been that way, too. The granddaughters get no greater kick out of anything than going catfishing or getting out in the mountains. They love it, too. And their mother does, too, young Les's wife. They love the outdoors. So we've had many pleasant hours together, the two families, out on picnics or fishing trips, or, in some cases, hunting trips. The girls were never very much for firearms, but the little guy is. He'll hold up the Kofoed reputation as far as the hunting and fishing "disease" is concerned!

We also have, now, one great-grandchild, David, who is about nine months old and living with his folks in Cheyenne, where Shari's husband, Robert J. Moore, is in the Air Force. He has served in Vietnam, and is now just awaiting his discharge in October, at which time they'll move back to Reno. So we're looking forward to that day. Good kids, all of 'em.

10

CONCLUSION

I think, in summary, I could only say that certainly, my life's been a happy one. It's certainly been an eventful one. I've been busy all the time. And it just seems that most of the changes in my life have kinda just happened. I've never asked for a job in my life. It seems something just pops up because of the recommendation of a friend, or something has just caused things to happen, and I've just been fortunate enough to be able to accept those happenings, I guess.

I've built a good friendship around the state that I'm mighty proud of. There isn't a community in the state where I can't go and call any number of people by their first name and consider them not just acquaintances, but real close friends.

If I have a philosophy in life, it has to be, I think, that I've tried to live by the Golden Rule. And I've valued the friendships I've made, and some of those friendships have been deciding factors in many, many of the things I've done.

As for plans for the future, I just don't have any definite plans. We would love someday to

do some traveling, but there's work to be done and we hope to live long enough to get many of those things done. In the meantime, we're not tied down. We do considerable traveling. We try to get to the places that we really want to see.

Every time I've taken a step up the ladder, I've wondered if I haven't reached that plateau that we all reach under the "Peter Principle," that you just reach the limitation of your inefficiency. But up to now, the good Lord's been willing to boost me up the ladder another step, occasionally, and if there's another step ahead, I'll be glad to take it.

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A

"Aces of Rhythm," 65-67
Acrea, D. L. "Bert," 153-154
Adams, Brewster, 344, 345
Adams, Eva B., 245, 246
Adjutant General, Nevada, 81-82
Aeronca agency (airplanes), 73
Agostini, Mr., 237, 238
Ahders, William B. "Bill," 117
All American Society, 252-253
Allen, Robert A., 83-85, 86
All-Year Club of Southern California, 279
American Automobile Association (AAA), 80, 87, 282
American Legion, 281
Andriotti, Mr., 123
Anton, Soren, 64
Armstrong, Louis "Satchmo," 263
Army, U. S., 100, 273
Arobio, Charles, 35, 39, 40, 66
Arobio, Louis, 39, 49, 66
Arobio Hall (Lovelock), 66
Art and Skill of Gaming, 259
Ascuaga, John, 296
Associated Oil Company, 32, 45, 46, 47
Austin, Fanny, 69
Austin, Ralph, 69

B

Backman, Gus, 72
Baldini, Fred "Red," 14-15
Bank holiday [1933], 37-38
Barnett, George, 197, 198, 199, 200, 202
Beeson, Lorita, 7
Benham, Otto E., 100
Bergmann, Harry, 311
Bible, Alan, 11
Big Meadow Hotel (Lovelock), 54
Big Meadow restaurant, 66
Biltz, Norman H., 63
Black, Earl V. "Bing," 46, 47
"Black Book," 243-245
Borax, Don, 99
Boyd, Hubert, 99
Boy Scouts of America, 60-61
Bradley, William "Bill," 71
Brawner, Lee S., 96, 102, 104
"Bright Lights Tours," 176
Brittell, C. A., 5-6, 13
Brookwood, Incorporated (Lovelock), 19, 20, 21-22, 26-27, 33, 41-42, 43-45
Brown, Edmund G. "Pat," 340
Bunker, Berkeley L., 93, 96, 97, 120, 121, 122, 251
Bureau of Public Roads, U. S., 275, 276

C

Cahill, Robbins E., 302, 303
 Cal Neva Lodge (Lake Tahoe), 244
 Campbell, Frank, 143
 Carpenter, Frank, 24, 33
 Carpenter, Robert L., 99
 Carpenter, W. W., 24
 Carroll, Cecil, 13, 15, 16
 Carson, Tom, 270, 272, 273
 Carson City Brewing Company, 40
 Carter, Reverend, 60
 Carville, Edward P. "Ted," 52, 89, 91-92, 121, 122
 Catholic church (Lovelock), 12
 Catholics, 251
 Causten, James, 53
 Cavanaugh, John, 52, 91, 93
 Chamber of Commerce, Reno, 271, 339
 Cheaters See: Gaming cheaters, Skimming
 Chevrolet agency (Lovelock), 27, 28
 Chevrolet automobile, 28, 32, 111
 CIT Corporation, 132
 Civil Air Patrol, 153
 Civilian Conservation Corps (CCC), 48-49, 50
 Clark, Petula, 263
 Clark County, Nevada, 79
 Cobb, Lou, 279
 Cobb, Will, 78
 Coca Cola, 39
 Communists, 252-253
 Community Chest (Reno), 147, 148
 Congress, U. S., 271-272, 273, 275, 276, 280, 315-317, 320-324, 332, 333
 Conlon, Jack, 51, 91
 Cord, Errett Lobban, 63, 257
 Corporate licensing of casinos, 328-332

Council of Churches (Nevada), 300-301
 Cowan, Charles, 254
 Cox, Walter, 79, 255, 291
 Craven, Thomas, 99, 100
 Crawford, Don, 340
 Cremer Motel (Sparks), 159
 Crider, Rex Arlo, 143
 Crumley, Newton, 71
 Czechoslovakians, 62

D

Dales, Chalice, 96, 99
 Damm, Millie, 20
 Dandolos, Nicholas Andrea "Nick the Greek," 212
 Danes, 61-62
 Daughters of the American Revolution (DAR), 282-283
 Davin's pool hall (Lovelock), 10
 Davis, Mr., 63
 De Forest School of Visual Education, 16
 Dekinder, John, 3, 18
 Delta Saloon (Lovelock), 35, 54
 Del Webb Corporation, 331
 Democrats, 44, 48, 51, 53, 55, 56
 See also: Carville, Edward P.; McCarran, Patrick A.
 Derby, Tom, 74-75
 Derby Field (Lovelock), 74-75
 Devine, Clifford, 52
 Dingee, Lewis, 8, 14, 15
 Dohr, Pete, 40
 Douglas, Ed, 73, 74
 Dressler, William F., 78
 Drinkwater, Terry, 268
 Driscoll, William "Bill," 118
 Drumm, Andrew D. "Andy," 128
 Ducks, Unlimited, 152

E

Ebert, Tom P., 3, 44
Eddy, Carmelita, 69
Eddy, Edna T., 24
Eddy, Hallie, 25-26, 69
Edward F. Hale Company (Reno), 133
 See also: Hale, Edward F.
Ellis, Vernon, 13, 14
Entitas, 148
Evans, Gene, 257
Ewing, George, 64

F

Fant, John, 84
Fant, Verdi, 7
Farr, Leslie O., 39, 40
Farr, Stanley B., 39, 40
Federal Bureau of Investigation (FBI), 94, 95, 96, 112-113, 116
Fernley, Nevada, 37, 153
Ferris hotel (Winnemucca), 131
First National Bank (Lovelock), 33, 45, 58, 59, 67
First National Bank of Nevada (Reno), 133
Fisher, Gerald "Casey," 51
Fitzgerald, Lincoln, 222-223
Fletcher, Harry, 118
Foley, Roger, 108
Foote, Harry, 76
Ford dealers (Lovelock), 3, 41-42
Ford Model A., 75
Ford Model T., 3, 4, 15, 22, 23, 29
Foster, Jack, 22, 24, 25-26
Foy, John B., 143
Frandsen, Peter, 1
Friedman, Louis, 53, 58, 59

Friesen, Carl, 133, 164
Fuss family (Lovelock), 17
Fuss ranch (Lovelock), 18, 84

G

Gamblers, 150, 183, 185-187, 189
Gaming cheaters, 195-197, 202-203, 204, 205, 206, 212, 220-221, 244, 335-336
 See also: Skimming
Gaming Commission, Nevada, 216, 287, 290, 292, 298, 299, 317, 318, 319, 331, 334
Gaming Control Board, Nevada, 216, 219, 225, 241, 287, 290, 299, 317, 318, 319, 322
Gaming Industry Association of Nevada, 215, 241, 289, 290-307, 308, 311-312, 315-338
Gaming Policy Board, Nevada, 317-318
Gardner, Paul K., 53, 54, 55, 68, 83
General Electric Corporation, 130
Germain, Ray, 69
Germain, Virginia, 69
Getchell, Noble H., 78, 80, 87
Goodin, William "Chuckhole Bill," 22
Gottschalk, Arthur L., 69
Gottschalk, Dorothy, 69
Gottschalk, George, 14, 64, 65, 66
Gottschalk, Peter, 49
Graham, William, 105-106, 223
Grant, Archie C., 79
Green Felt Jungle, 259, 332
Gross, Harvey, 296

Gross tax (gaming), 181,
255-256, 257-259
Guild, Clark, Jr., 299
Guild, Guild and Cunningham,
attorneys, 298

H

Hale, Edward F., 128-129,
132-133, 134-135, 136
Hall, H. C., 159, 165
Halley, John S., 100
Hamilton, George, 145
Hansen, Lawrence J., 13,
15, 63-64
Harolds Club, 158, 160,
164, 165, 169, 170, 171,
172, 173-174, 175, 176-
187, 188, 189, 190-215,
222, 223-225, 233-235,
237-240, 246, 250, 253,
260, 261-264, 267-268,
269-270, 272-274, 291,
293, 309, 310, 311, 313-
315
See also: Smith, Raymond I.
Harrah, William F., 182,
185, 223, 275, 293, 295,
296-297
Harrah's Club, 234, 291,
292, 293, 294, 308
Harrah's Tahoe, 185
Hart, James H., 3, 19, 27,
32, 41, 44, 48, 49, 50,
84, 85
Hatch Act, U. S., 121
Hecht, Chic, 78
Heidtmann, H. C., 78, 87
Heizer, Ott F., 53, 63
Herzog, Steve, 49
Hetch-Hetchy Junction,
California, 31
Highway 40 Association,
70-73
Hilton Hotels Corporation,
331
Hinckley, Wayne C., 126
Houghton, Samuel G., 153
Hruska, Roman, 317

Hughes, Howard, 256, 329,
330
Humboldt County, Nevada,
54, 56
Humboldt County High
School, 6
Humboldt House, Nevada, 60
Humboldt River, 58, 79, 81
Humphrey Supply Company
(Reno), 37
Hunt, H. L., 253
Hunter, James R., 239-240

I

Indians, 67, 77, 106-107,
108
Internal Revenue Service,
U. S., 117, 185, 231,
302, 303, 304
Interstate Commerce Com-
mission, U. S., 231
Interstate 80 [highway],
272
Isbell Construction Com-
pany, 128
"It's-A-Bet" (coupons),
177
I Want to Quit Winners,
259-261

J

James, Harry, 263
Japanese, 63
Johnson, Kenneth F., 257
Johnson, Lyndon B., 275,
276
Jones, Charles H., 33, 35,
36, 45, 50-51, 53, 55,
59, 81

K

Kane, William "Bill," 99
Kiwanis club (Reno), 146
Knezovich, Gus, 71
Knights of Pythias, 8

Knoll, Clinton, 239
 Kofoed, Anna, 1, 4
 Kofoed, Ernest "Ernie," 3,
 19-20, 30, 31, 73, 136-
 137, 139, 141, 142, 164,
 347
 Kofoed, Everett, 31, 345,
 347
 Kofoed, Frances Virginia
 Morse, 8, 20, 24, 30-31,
 68, 69, 125-126, 136,
 161, 162-163, 174-175,
 342, 343-346, 347-349
 Kofoed, George, 1
 Kofoed, Leslie Vernon, 31,
 125, 139, 174, 175, 346
 Kofoed, Martin, 1, 3, 18-
 19, 38, 61
 Kofoed, Patricia, 349
 Kromer, J. W., 49

L

Lake Nevada, British Columbia, Canada, 152
 Las Vegas, Nevada, 99, 110
 Lawrence Warehousing Company, 132
 Laxalt, Paul A., 313, 317-
 318, 328, 330
 Legislature, California,
 339-341
 Legislature, Nevada, 78-
 90, 181, 226-227, 241,
 242, 322-323, 339-341
 Lemaire, Rene W., 71
 Lent, Guy, 160-161, 162,
 168, 169, 171, 172-174,
 180, 183, 190, 238, 251,
 293, 294, 295, 297
 Linnecke Electric Company
 (Reno), 130
 Lions Club (Downtown Reno),
 143-146, 147
 Lions Club (Lovelock), 78,
 144, 145, 146
 Lions Club (South Reno),
 144
 Lobbyists, 86-89, 241-242

Lothrop, George, 118
 Lovelock, Forest, 17
 Lovelock, Lavent, 17
 Lovelock, Nevada, 1, 2, 3,
 5, 6, 7, 10, 11, 16, 19,
 22, 37, 38, 48, 49-50,
 57-61, 62-65, 66-69, 74-
 77, 82, 94, 127, 346
 Lovelock Flying Club, 73-
 75
 "Lovelock Four," 65
 Lovelock Fire Department,
 75-77
 Lovelock grammar school,
 5, 6, 8, 9, 10, 11, 13
 Lovelock Mercantile Bank,
 33, 58
 Lovelock Mercantile Company, 22, 58
 Lovelock-to-Reno highway,
 22-24, 26-27, 28-29
 Lovelock Transfer Company,
 33-42
 Lovelock Valley (Nevada),
 1, 58-59, 62
 Lower Valley (Lovelock,
 Nevada), 2, 61-62, 70

Mc

McCarran, Patrick A., 53-
 54, 55-56, 59, 93, 96,
 97, 119, 120-123, 225-
 226, 250, 305
 McClellan, John Little,
 317
 McClendon, Gladys, 69
 McClendon, Jack, 69
 McConnell, Mr., 139-140
 McCracken, George, 5
 McGee, Loren James, 116-
 117
 McKay, James, 105-106, 223
 McKissick, Howard F. Sr.,
 97, 99, 131, 134, 135
 McKissick, Howard Jr.,
 256, 257

M

Maher, William "Bill," 52
Maheu, Robert, 330
Majestic radio, 29
Malone, George W. "Molly," 250-251
Mapes, Charles W., Jr., 293, 295
Marks, Ray, 86, 87, 89
Marshal, U. S. (Nevada), 78, 93, 94-125, 153
Martin, Louis, 42
Martin, Wayne, 8
Masonic lodge hall (Love-lock), 8
Masons, 147
Mason Valley News (Yerington), 255
Mastroianni, Joe, 159, 164, 171
Matthews, Joseph, 250, 254, 299
Maxwell car, 4, 22
Mayor's Advisory Committee on Solicitations (Reno), 147-149
Mazetti, Frank, 67
Mechling, Thomas B., 251
Merchant, Homer, 268
Methodist church (Love-lock), 12, 60
Middleton, Frank, 52, 93, 96, 97-98, 120
Milich, Andy, 62, 66
Mill City, Nevada, 342, 343
Miller, John H., 78, 87
Mills, Wilbur, 248
Moana Motel (Reno), 159
Monday holidays, 240, 241, 277-286
Monroe, Warren L. "Snowy," 71
Moore, David, 350
Moore, Robert J., 350
Moore, Shari Kofoed, 349
Mormon church, 251
Morse, Gladys Alice, 20, 342

Mueller, John V., 86-89
Munk, Ellen, 2
Munk, Nels C., 2
Munk, Robert "Bob," 9-10
Munk, Wallace, 42
Munson, Charles G. "Chuck," 292, 294, 298, 299-301, 302, 303, 307-309

N

National Association of Travel Organizations, 277, 278, 279, 283, 284
National Guard, 81-82
National Restaurant Association, 278
National Riflemen's Association, 82
National Safety Council, 281, 282
Negroes, 63
Nelson, Warren, 293, 296
Nerase, Russell, 239
Nevada Auto Supply, 29
Nevada Club (Reno), 193, 222
Nevada-Massachusetts mine, 342, 343
Nevada Packing Company (Reno), 37
Nevada Quicksilver Company, 11
Nevada Resort Association, 241, 302, 303, 305
Nevada State Journal (Reno), 215
Nevin, Carroll T. "Buck," 117
New York Life Insurance Company, 137-142
Nick the Greek See: Dan-dolos, Nicholas Andrea
Nile ranch (Lovelock), 84
Nixon Opera House (Winne-mucca), 66
Noble, John Wesley, 259
Norcross, Frank J., 96, 99, 101, 102, 107, 108

O

O'Callaghan, Donal N.
 "Mike," 90
 Okanogan Cariboo Trail
 Association, 272, 273
 Olfers, Carl, 75
 Oreana, Nevada, 50
 Organized Crime Act of
 1969 (U. S.), 315-317
 Olsen, Andrew, 1, 4
 Olsen, Christine, 1, 4
 Optimist Club (Reno), 146

P

Pacific Motor Transport,
 42-43
 Packard, Nevada, 48
 Pan Am West Highway Association, 23, 240, 241, 275
 Paradise Park (Reno), 158
 Patterson, William Allen, 268
 Pershing County, Nevada, 53-54, 56, 68, 74, 81, 83, 84
 See also: Lovelock, Nevada
 Pershing County band, 63-64
 Pershing County High School, 13-14
 Pershing Hotel (Lovelock), 5
 Petricciani, Silvo, 293, 296
 Pitt, William C., 58, 59
 Pittman, Key, 52, 53, 93, 121
 Pitt-Taylor reservoir (Lovelock Valley), 59
Play the Devil, 259
 Pony Express Lodge (Reno), 158, 161, 172, 174-176, 178, 179, 182, 183, 184, 187-190, 194
 Powers, Roy E., Jr., 235, 237, 240, 262

Pratt, Oliver, 100
 Preston, Anita, 69
 Preston, Melvin, 69
 Prohibition, 46-47, 67-68
 Prostitution, 100-101
 Public Service Commission, Nevada, 43, 168
 Pythian Sisters, 8-9

R

Rainier, William "Bill," 46
 Rains, Laura, 100
 Ralphs, Jess, 64
 Ranson, Edward M. "Ted," 122-123
 Red Cross, 153
 Reid, John T., 62
 Reno, Nevada, 65, 69, 77, 98, 101, 143, 156, 178, 183, 273, 275, 346
 Reno Army Air Base, 100
 See also: Stead Air Base
 Reno Brewing Company, 40
 Reno Employers Council, 239, 319
 Reno Rodeo Association, 152
 Republicans, 51, 53, 54, 55, 56, 57
 Reservation ranch (Lovelock), 84
 Revert, Art, 51, 52, 91
Review-Miner (Lovelock), 83
 Riverside hotel (Reno), 127
 Robbins, J. E. "Jack," 78, 79
 Robinson, Helen, 5
 Rochester, Nevada, 10, 48
 Root, Ray, 118
 Rotary Club (Reno), 146-147, 245
 Rusk, Wally, 51, 52, 91
 Rye Patch Dam, 53, 57, 59-60, 61

S

Sahati, Edmund "Eddie," 184, 185, 212
Sahati, Nicholas M., 184
St. Mary's hospital, 155
Salt Lake City, Utah, 72
Saunders, Grace Morse, 343
Sawyer, Grant, 294, 313, 340
Schmidt, Leo F., 143, 146
Scholarships, Harolds Club, 180-181, 256
Scrugham, James G., 120
Seeliger, Albert, 6
Seven Troughs, Nevada, 10, 48
Shaffer, Hayes E., 130
Shaffer, William "Bill," 71
Sheppard, Maurice F., 291-292, 294, 298
Shoup, Gene, 80, 87
Shrine (A. A. Order of the Nobles of the Mystic Shrine), 147
Sierra Pacific Power Company, 155
Sill, Sterling, 137
Silver dollars, 245-249
Silver State Sweepstakes, 301, 302
Sinatra, Frank, 244
Skimming, 217-218
Slot machines, 195-204, 336
Slot machine tax rebate, 1972, 321-324
Smith, Dorothy, 312
Smith, Harold, Sr., 185, 187, 259-261, 263, 264, 310
Smith, Harold, Jr., 240
Smith, Iola, 166
Smith, Jim, 63
Smith, Mildred, 164
Smith, Raymond A., 309, 312
Smith, Raymond I. "Pappy," 158, 159, 160, 161-164, 165, 166, 167, 168, 170, 171, 173, 176-177, 178, 179, 180, 181-182, 183, 184, 185, 186-188, 189, 191-192, 193-194, 197, 198, 200, 202, 208-210, 211, 222, 223, 224-225, 226, 233, 234, 250-254, 255, 260, 263, 264, 270, 271, 277, 284, 293, 312, 314
Smith, Ray P., 141, 164
Smith family [Harolds Club], 180-181, 184, 185-186, 210, 237, 238, 250, 251, 267, 309, 312-313
Smith Club, the, 176
Smoot, Dan, 253
Snelson, Joe, 28
Social Security, U. S., 163
Somers, J. B., 33, 34
Sommer, Clarence, 19, 27, 28, 32, 41, 44, 45, 69, 344
Sommer, Harry, 19, 27, 32, 41, 44
Sommer, Marjorie, 69
Sommers, Jack, 131
South Wind [heaters], 129
Southworth, George A. "Pop," 254
Sparks, Delbert, 45
Stagg, Raymond, 179
Standard Oil Company, 30, 31, 136-137
Stead Air Base, 165, 186
Stevens, Esther, 210
Stewart-Warner Corporation, 129
Stiff, Lawrence, 28, 46
Stoker, Addie, 17
Stoker, Clara, 69
Stoker, Clarence, 17
Stoker, George, 17
Stoker, Hy, 17
Stoker, Pike, 69

Stoker, Velna, 66-67, 69,
77
Stoker, Vernon, 17, 64,
66, 69, 73
Stoker ranch (Lovelock),
7, 18
Sullivan, Ruth, 64, 66
Supp, Carl, 71
Swackhamer, Bruce, 51
Synanon, 148, 149
System players, 213-216

U. S. 40 [highway], 70-71,
72, 270-271
U. S. 40 Highway Associa-
tion, 71, 78
U. S. 50 [highway], 70-71,
72
U. S. 91 [highway], 72
U. S. 97 [highway], 273
U. S. 99 [highway], 273
U. S. 101 [highway], 273
Upper Valley (Lovelock,
Nevada), 64, 69

T

Tahoe Brewing Company, 40
Takenaka, S., 63
Tallman, A. V., 78
Taw, Edna May, 24
Tax Commission, Nevada,
225, 324-326, 334
Taylor, John G., 54, 59
Taylor ranch (Lovelock),
7

See also: Taylor,
John G.

Teglia, Roger, 158
Thomas, Ralph, 279
Thompson, Reuben C., 345
Totman, William A., 146
Tracy, Frank, 155
Travel-lawn [sprinkler],
130
Treasury Department, U. S.,
117, 231, 247
Trocadero Room (El Cortez
Hotel, Reno), 144
Truck, Henry, 116
Truckee river (Nevada),
101
"Two Stiffs Selling Gas,"
46

U

Uniform Drivers License
bill, 80-81
United Air Lines, 268

V

Van Meter, Harry, 76
Vargas, George, 6
Verdi Lumber Company, 21
Vernon, Nevada, 10
Veterans of Foreign Wars
(VFW), 281
Victory Highway Garage, 45
Vornado [fan], 131

W

Wagering Tax Amendment
(U. S.) 319-320
Wainwright, Jacob W.
"Jake," 52, 99, 113
Waldorf-Astoria Hotel (New
York City), 138-139
Ward, Al, 150
Warren, Anna, 101
Washoe County Civil De-
fense Unit, 153-156
Washoe County Fair, 152
Washoe County Rod and Gun
Club, 150
Washoe general hospital,
155
See also: Washoe Med-
ical Center
Washoe Medical Center
(Reno), 77, 104
Water rights, 101
Webb, Del, 331

Western Air Lines, 268
Western American Convention and Travel Institute, 240
White, Jay, 81-82
Wilson Advertising Agency, 233, 234
Wilson, Harriet, 13
Wilson, Thomas C., 233, 234, 237, 284
Winchell, Dee, 45, 69
Winchell, Minnie, 69
Wingfield, George, 127, 128
Winnemucca, Nevada, 66
Witkowski, Angelina Arobio, 49
Witkowski, Walter, 49
Women as dealers, 211-212
Works Progress Administration (WPA), 48, 50

XYZ

Yerington, Nevada, 14
Yosemite national park, 31
Young Democrats (Nevada), 78, 93
See also: Carville, Edward P.
Young-Goodin Company (Lovelock), 19, 22, 58